

CULTUS LAKE PARK BOARD BUILDING SITE LEASE

Lease No.

THIS INDENTURE made this day of, A.D.
IN PURSUANCE OF THE CULTUS LAKE PARK ACT AS AMENDED.

BETWEEN:

CULTUS LAKE PARK BOARD, Lessor (hereinafter called the "Board")

OF THE FIRST PART

AND:

Name:

Address:

Occupation:

(hereinafter called the "Lessee")

OF THE SECOND PART

TERM

1. WITNESSETH that the Board under and by virtue of all powers thereto enabling and subject to all the covenants and conditions herein after reserved and contained, DOTH DEMISE unto the Lessee all and singular those lands located in Cultus Lake Park, and described as Lot No.....(which lands will hereinafter be referred to as "the Lot"); the term to be from the 16th day of March, A.D. 2002, to the 15th day of March, A.D. 2023, comprised of 21 lease years, each lease year running from March 16th to the following March 15th.

RENTALS

2. YIELDING AND PAYING FOR THE FIRST LEASE year of the said term (the period March 16th, 2002, to March 15th, 2003) rental ofDOLLARS(\$.....) of lawful money of Canada, payable on or before March 15th, 2002, and yielding for the succeeding lease years of the term such annual rentals as may be fixed by the Board, the Board on the Lot shall be established by a rent by-law to be passed by the Board on or before January 31st preceding each lease year. In such by-law, the Board shall have discretion to vary rentals as between residential lots, however, such variations shall be based only on uniformly applied rules pertaining to relative lot size and location.

RESERVING ALWAYS unto the Board the right to enter, pass upon, over or under the said lot by its members, servants, agents or duly authorized workmen for the purpose of carrying out any work reasonably necessary for the development, improvement and maintenance of the Cultus Lake Park, or the lot, and for purposes of determining whether any construction on the lot conforms with building by-laws or any other by-laws of the Board.

SUMMER USE ONLY

3. (a) ANY LESSEE who signs a declaration, not later than March 15th, in any one year that he will not occupy the lot between November 1st of that year and May 1st of the following year, shall be allowed to deduct the amount of rebate shown on the Lease notice.

(b) PROVIDED THAT any leaseholder who has received a Summer Use Only Rebate and after that desires to occupy the lot after October 31st of that year, or before May 1st of the following year, must apply for permission to do so to the Board and with his application must tender the amount of the rebate.

(c) ANY LESSEE who has received the summer rebate and without first obtaining permission from the Board, occupies the lot after October 31st of that year, or before May 1st of the following year, shall be liable to a penalty of TWENTY (20%) PER CENT of the gross rental together with the amount of the rebate he was granted. Failure to pay the penalty and the rebate forthwith shall be grounds for termination of the lease.

(d) PERMISSION for all-year occupancy of any lot formerly occupied as a summer lease shall not be granted unless the buildings and improvement thereon conform to the building by-laws of the Cultus Lake Park Board from time to time in force, and the decision of the Board in determining whether the buildings and improvements so comply shall be final.

(e) FOR PURPOSES of this clause, occupancy by the Lessee shall be deemed to include occupancy by the Lessee, by a sub-tenant or licensee of the Lessee, or by anyone else with or without the Lessee's permission.

4. THE BOARD will, not later than the 1st day of February in each year of the term herein granted, send to the Lessee by prepaid mail directed to his last known address in the form approved by the Board a statement showing the amount of rental and other charges to be paid by the Lessee for the next succeeding lease year.

LESSEE'S COVENANTS

5. THE LESSEE HEREBY COVENANTS with the Board as follows:

(a) TO pay rent at the time and manner aforesaid.

(b) TO pay all other charges lawfully levied by the Board pursuant to The Cultus Lake Park Act and Amendments thereto and without limiting the foregoing, to pay rates for water, street lighting, garbage collection, fire protection, security and dog control, and annual sewer maintenance charges as may be imposed by the Board or the Regional District of Fraser Cheam.

(c) TO observe and to obey all of the by-laws of the Cultus Lake Park Board.

(d) NOT to carry on any business on the lot or buildings located thereon.

(e) TO leave the lot in good repair, in a state satisfactory to the Board.

(f) NOT to erect, construct, or build any additional dwellings, additions or renovations to existing structures on the lot to a value such as would require a building permit without first obtaining written permission from the Board.

(g) TO keep the exterior of any structures on the lot, and the lot itself in a neat, orderly, clean and sanitary condition in a manner satisfactory to the Board, PROVIDED that the Board may give THIRTY (30) DAYS written notice to the Lessee of any infraction of the stipulations in this paragraph contained, and in the event that such infraction shall continue after the time limited within such notice, the Board may clean up the lot, and exterior of the structure or structures or make the necessary improvement and charge the leaseholder the sum specified in the said notice and in the event that the said sum is not paid to the Board within THIRTY (30) DAYS of such notice, it shall be deemed to be rent in arrears and carry with it all the incidents and remedies attaching by law to rent in arrears.

(h) TO terminate any sub-tenancy if requested to do so by the Board.

(i) TO pay all taxes, rates, duties and assessments whatsoever now charged or hereafter to be charged upon the leasehold lands and any improvements thereon.

TRANSFER OR ASSIGNMENT OF LEASE

6. (a) EVERY application for a transfer or assignment of this Lease shall be in writing in a form prescribed by the Board, and shall be filed with the Secretary of the Board together with the Lessee's copy of the Lease and a transfer fee in the sum of SEVENTY-FIVE (\$75.00) DOLLARS, together with such inspection fee as may be prescribed by regulation of the Board.

(b) THE Secretary of the Board shall present each such application for assignment or transfer to the Board for consideration at the next meeting of the Board.

(c) THE Board may in its absolute discretion approve or reject any such application for assignment or transfer.

(d) IN the event that such assignment or transfer of Lease is approved by the Board, the Secretary shall retain the original copy of the Lease and issue a Lease to the Transferee for the balance of the term then remaining, and forthwith inform the Lessee of the decision of the Board; and in the event the Board shall refuse such transfer of the Lease, refund the transfer fee to the Lessee, however, the inspection fee shall not be refunded to the Lessee.

(e) NOTWITHSTANDING the provisions of clause "6(a)" hereof, applications for the following transfers shall not require a payment of a transfer fee, that is to say:

(i) Transfers between husband and wife;

(ii) Transfers between a man and a woman who have lived together as man and wife for a period exceeding two (2) years;

(iii) Transmission of the Lease to a surviving joint tenant on the death of one of the joint tenants;

(iv) Transmission of the Lease to the Executor or Administrator of a deceased leaseholder;

(v) Transmission of the Lease from the Executor or Administrator of a deceased leaseholder to a beneficiary of his estate;

(vi) Transfer of the Lease to a lending institution for security purposes, or re-transfer back from the lending institution to the Lessee.

However, in these cases, a processing fee of TWENTY-FIVE (\$25.00) DOLLARS shall be paid.

(f) THE Board shall have the right to change the transfer fee and processing fee every five (5) years to bring them into line with inflationary change and for this purpose, changes in the Vancouver Consumer Price Index shall be used as a standard for comparison.

RENTAL DEFAULT

7. (a) IN the event the Lessee shall have failed to tender the amount of the rental and other charges by March 15th in any year, including any charges arising out of paragraph 5(g) remaining unpaid, the premises herein demised shall in the discretion of the Board be declared to be vacant and a written notice shall be sent to the delinquent Lessee not later than the 20th day of March in the same year by prepaid registered mail directed to the delinquent Lessee at his address as shown on the former Lease.

(b) SHOULD the delinquent Lessee make payment to the Board not later than the 15th day of June of the same year, or such later date as the Board may fix, tendering the full amount of the rental and other charges plus a delinquent fee of TEN (10%) PER CENT of the total rent and other charges, then the Lease shall be deemed to be in good standing.

(c) SHOULD the Lessee fail to make full payment by the 15th day of June, or such later date as the Board may fix, the Lessee shall forfeit the Lease absolutely and all rights and privileges hereby conferred shall be deemed to be void and of no effect without any actual re-entry by the Board or other proceedings whatever, and in that event the Lease rights together with all buildings and other improvements located upon the lot shall be offered for sale by public auction as follows:

(Continued on Back)

- (i) No notice of such sale shall be required; provided that the Board may in its discretion advertise such sale in any newspaper circulating in the City of Vancouver and/or the District of Chilliwack, for such length of time as the Board may in its sole discretion decide upon.
- (ii) The Secretary of the Board or such other person appointed by the Board shall act as auctioneer.
- (iii) There shall be an upset price consisting of rental and other charges fixed by the Board for the lease year commencing on the 16th day of March preceeding the date of sale and a delinquent fee of FIFTEEN (15%) PER CENT of the amount last mentioned and the advertising and other costs incurred in connection with the sale and a transfer fee of SEVENTY-FIVE (\$75.00) DOLLARS.
- (iv) The highest bidder shall be the Purchaser and in the event that there is no bid equal to the upset price, or no bid, the Board shall be declared to be the Purchaser.
- (d) EVERY Purchaser other than the Board shall at the time of the sale sign an application for assignment of the balance of the lease term commencing on the date of the purchase.
- (e) ANY surplus money received by the Board over and above the upset price shall be repaid to the defaulting Lessee without interest, provided that he make written application for such excess not later than one (1) year following the sale.

TERMINATION

8. WHERE the Board, in its entire discretion, determines that it requires the Lot for Park purposes, such as beaches, playgrounds, concession space, road, lane, fire access, or other Park purposes, then the Board may terminate any lease, subject however, to the following provisions, namely:

- (a) THE BOARD shall give notice of such termination in writing personally to the Lessee or by prepaid registered mail directed to the Lessee at his last known address not later than the 1st day of May in any year and effective March 15th of the following year, and the Lessee may either:
- (i) Remove any buildings or other structures which have been placed on the lot by the Lessee, or which are owned by the Lessee, not later than the 15th day of March of the following year, or,
- (ii) May call upon the Board to compensate him for the value of his lease rights, and of his buildings and improvements located on the lot, such value to be determined on the basis of the fair market value of the lease rights, buildings, and improvements as of the date of the notice of termination, the valuation to be made as if the lease had not in fact been terminated; and the Board shall pay such fair market value to the Lessee either on March 15th of the year following notice or at such time as may be agreed upon between the Board and the Lessee. In the event that the parties shall be unable to agree as to the amount of such compensation the amount shall be fixed by arbitration under the provisions of the Arbitration Act of British Columbia.
- (b) WHERE the Board gives notice of termination of this Lease, the Lease shall be deemed to be null and void on the 15th day of March of the year following such notice.
- (c) WHERE the Board exercises its power to terminate pursuant to this clause at any time when the Lease is not in good standing for any reason, the Board shall deduct from the fair market value arrived at by agreement or the amount determined by arbitration as the case may be, an amount equal to the total amount of rental in arrears together with a delinquent fee of TEN (10%) PER CENT thereon as liquidated damages for such default.

9. THE LESSEE may terminate this Lease on giving SIX (6) MONTHS written notice mailed by prepaid registered mail or delivered to the Board, and, at any time within such notice period, the Lessee may remove any buildings or structures which have been purchased or placed on the lot by the Lessee; provided that if the Lessee fails to remove such buildings or structures within the notice period; then such buildings and structures shall be deemed to be the property of the Board and the Board may deal with them whether by way of removal, destruction, renovation, or sale, as the Board in its entire discretion deems advisable, and the Board shall not be responsible or accountable to the Lessee for any loss to the Lessee arising out of the Lessee's failure to remove such buildings or structures.

10. (a) PROVIDED always and it is expressly agreed that in the case of the breach or non-performance of any of the covenants or agreements herein contained on the part of the Lessee, his executors, administrators, sub-tenants or assigns, including all those covenants referred to in clause "5" hereof, then it shall be lawful for the Board, or its successors or assigns at any time thereafter to re-enter the demised lands and premises and the same to again repossess and enjoy as of the Board's former estate, anything herein to the contrary notwithstanding;

(b) AND UPON such re-entry by the Board, the Board may offer the Lease rights, together with all buildings and other improvements located on the lot and owned by the Lessee for sale by public auction, the sale to be conducted by the Secretary of the Board or other person appointed by the Board. No notice of such sale shall be required; provided that the Board may in its discretion advertise such sale in any newspaper circulating in the City of Vancouver and/or the District of Chilliwack for such length of time as the Board may in its sole discretion decide upon. On such sale the highest bidder is to be accepted as purchaser of the buildings and improvements and as Assignee of the unexpired term of the Lease, any monies received by the Board on such sale, over and above the Board's legal costs, advertising expenses and a delinquency fee of FIFTEEN (15%) PER CENT (payable as liquidated damages to the Board) of the total sale price shall be repaid to the defaulting Lessee without interest provided that he make written application for such excess not later than one (1) year following such sale, failing which application such excess shall be deemed to be the property of the Board.

RENEWAL

11. (a) PROVIDED that if the Lessee has duly and regularly paid the rent and other charges and observed and carried out all the terms and conditions herein contained, the Lessee shall have the option to renew the within Lease for a further term of TWENTY-ONE (21) YEARS from the expiration of the term herein on the same terms as are contained herein, including the option to renew, provided that prior to the expiration of the term herein demised the Lessee gives to the Board ninety (90) days notice in writing to renew the Lease.

- (b)(i) NOTWITHSTANDING the provisions of clause "11(a)" hereof, the Board shall have the right to refuse to renew the within Lease at the expiration of any given TWENTY-ONE (21) YEAR term where the Board, in its entire discretion, determines that it requires the Lot for Park purposes, such as beaches, playgrounds, concession space, road, lane, fire access, or other Park purposes. The Board shall give notice of such refusal to renew in writing personally to the Lessee or by prepaid registered mail directed to the Lessee at his last known address during the last year of the term and not later than the 1st day of May in that year and effective March 15th of the following year.
- (ii) Not later than March 15th of the year following such notice, the Lessee may remove any buildings or other structures which have been placed on the lot by the Lessee, or alternatively, the Lessee may call upon the Board to compensate him for the value of his lease rights and of his buildings or improvements located on the lot, such value to be determined on the basis of the fair market value of the lease rights, buildings, and improvements as of the date of the notice of refusal to renew, the valuation to be made as if the Board had not in fact refused to renew the Lease, and the Board shall pay such fair market value to the Lessee either on March 15th of the year following notice or at such time as may be agreed upon between the Board and the Lessee. In the event that the parties shall be unable to agree as to the amount of such valuation the amount shall be fixed by arbitration under the provisions of the Arbitration Act of British Columbia.
- (iii) Where the Board gives notice of refusal to renew, the Lease shall be deemed to be null and void on the 15th day or March of the year following such notice.
- (iv) Where the Board exercises its power to refuse to renew at a time when the Lease is not in good standing for any reason, the Board shall deduct from the fair market value arrived at by agreement or by arbitration as the case may be, an amount equal to the total amount of rental in arrears together with a delinquent fee of TEN (10%) PER CENT thereon as liquidated damages for such default.

GENERAL CONDITIONS

12. EXCEPT for security purposes to fulfill the requirements of lending institutions, not more than one (1) lot shall be leased to any one person, provided that the Board may by resolution passed by simple majority, lease more than one (1) lot to a family for purposes other than a building or a camping site.

13. NO person under the age of NINETEEN (19) YEARS shall be a Lessee.

14. THE exterior of all dwellings or structures commenced upon the lot shall be completed within such period of time as is specified in the Cultus Lake Park Board Building By-law. There shall be no transfer or assignment of a Lease for a lot with an uncompleted building, without permission of the Board, unless the outside of the building is completed in accordance with the building plans as approved by the Board, or by the Board's duly appointed agent.

15. ANY LESSEE placing a mortgage upon or selling his equity in a house or improvements on any lot shall file with the Board a copy of each document pertaining to such mortgage or sale of equity for purposes of recording same in the lease file and for the information of the Board, and the Lessee shall pay to the Board a processing fee of TWENTY-FIVE (\$25.00) DOLLARS for each document. The Lessee may at any time file an application for transfer of the Lease to the Purchaser of the equity of the Lessee, but in any event until a transfer or assignment is approved by the Board, the Lessee shall remain and be fully responsible to the Board for the observation of all covenants, conditions and stipulations contained or referred to in this Indenture. Where this clause applies then, for purposes of clauses 4, 7, 8, 9, 10 and 11, any payments to be made to a Lessee shall be made to the Lessee and Purchaser jointly, and any notices to be given to the Lessee shall be given to both the Lessee and to his Purchaser, subject to any written agreement to the contrary between the Lessee and his Purchaser on file with the Board. Where this clause applies, any rebate claimed under clause "3" shall be granted to the person actually paying the lease rent. Where this clause applies, either the Lessee or his Purchaser may give the Board the notice in writing required in clause "11" hereof to renew the Lease.

16. WHEREVER the singular or masculine is used in this Indenture, the same shall be deemed to include the plural or the feminine, or the body politic or corporate; also the heirs, executors, administrators, successors or assigns of the parties hereto and each of them (where the context or the parties so require).

IN WITNESS WHEREOF the parties have hereunto set their hands and seals the day and year first above written.

THE CORPORATE SEAL of the Lessor is hereunto affixed in the presence of its proper officer.

SIGNED, SEALED AND DELIVERED by the Lessee in the presence of:

Witness

Address

Occupation