

PART 2 – TERMS OF INSTRUMENT

HOUSING AGREEMENT  
SECTION 219 COVENANT  
(Spruce Grove)

THIS AGREEMENT dated for reference \_\_\_\_\_ is

**BETWEEN:**

(Insert owner's name)

(the "Owners")

**AND:**

RESORT MUNICIPALITY OF WHISTLER  
4325 Blackcomb Way, Whistler, BC V0N 1B4

("Municipality")

**GIVEN THAT**

- A. Section 219 of the *Land Title Act* R.S.B.C. 1996 C. 250 as amended, permits the registration of a covenant of a negative or positive nature in favour of the Municipality in respect of the use of land or construction on land;
- B. The Owner and the Municipality wish to enter into this Agreement to provide for affordable employee housing on the terms and conditions set out in this Agreement, and agrees that this agreement is both a section 219 covenant under the *Land Title Act* and a housing agreement under section 905 of the *Municipal Act*;

**THIS AGREEMENT** is evidence that in consideration of \$2.00 by the Municipality to the Owner, (the receipt of which is acknowledged by the Owner), the Owner covenants and agrees with the Municipality, in accordance with section 219 of the *Land Title Act*, as follows:

ARTICLE 1  
INTERPRETATION

**1.1 Definitions**

In this Agreement:

- (a) "Employee" means an individual:
  - (i) who is either employed or self-employed for an average of not less than 20 hours per week over the most recent three months and whose principal place of employment or business is located within the boundaries of the Resort Municipality of Whistler; and
  - (ii) who is a member in good standing of the Whistler Valley Housing Society;
- (b) "First Purchaser" means the person to whom the Strata Lot is first transferred after Substantial Completion of the Strata Lot;
- (c) "Land" means Lot A District Lot 3860 Group 1 NWD Plan LMP 34538 ;
- (d) "LTO" means the New Westminster/Vancouver Land Title Office;
- (e) "Municipality" means the Resort Municipality of Whistler;
- (f) "Prime Rate" means the annual rate of interest, expressed as a percentage, used as a reference rate by the Royal Bank of Canada at its main branch in Vancouver, British Columbia for Canadian dollar loans and designated by the Royal Bank of Canada from time to time as its prime rate;
- (g) "Retiree" means an individual:
  - (i) who has ceased employment and who was an Employee for 5 of the 6 years immediately preceding the date on which the individual ceased employment; and
  - (ii) who is a member in good standing of the Whistler Valley Housing Society;
- (h) "Strata Lot" means the Land until such time as the Land should be subdivided into strata lots pursuant to the Condominium Act and after the time of subdivision the term Strata Lot shall mean each individual strata lot into which the Land is

stratified, with the intention that this Agreement shall apply separately to each such strata lot;

- (i) "Strata Lots" means more than one Strata Lot.

## 1.2 Interpretation

In this Agreement:

- (a) reference to the singular includes a reference to the plural, and vice versa, unless the context requires otherwise;
- (b) reference to a particular numbered section or article, or to a particular lettered Schedule, is a reference to the correspondingly numbered or lettered article, section or Schedule of this Agreement;
- (c) article and section headings have been inserted for ease of reference only and are not to be used in interpreting this Agreement;
- (d) the word "enactment" has the meaning given to it in the *Interpretation Act* (British Columbia) on the reference date of this Agreement;
- (e) reference to any enactment is a reference to that enactment as consolidated, revised, amended, re-enacted or replaced, unless otherwise expressly provided;
- (f) reference to a "party" or the "parties" is a reference to a party, or the parties, to this Agreement and their respective successors, assigns, trustees, administrators and receivers; and
- (g) reference to a "day", "month" or "year" is a reference to a calendar day, calendar month, or calendar year unless otherwise expressly provided.

## ARTICLE 2 HOUSING AGREEMENT AND SUBDIVISION RESTRICTIONS

### 2.1 Use and Occupancy

- (a) The Owner agrees that the Owner may only sell a Strata Lot to an Employee or to a Retiree.
- (b) The Owner agrees that each Strata Lot may only be used or occupied as a permanent residence, and then only by an individual who resides in the Strata Lot and who is:

- (i) an Employee;
- (ii) a Retiree; or
- (iii) living in the Strata Lot with an Employee or Retiree in a single domestic unit and
  - (A) is related to the Employee or Retiree by blood, marriage, adoption, common law marriage or foster parenthood; or
  - (B) is in a spousal relationship with the Employee or Retiree.

## 2.2 Sales Lottery Covenant

The Owner covenants and agrees with the Municipality that none of the Strata Lots may be sold separately from any of the other strata lots, except in accordance with the following conditions:

- (a) a Strata Lot may be sold separately from the other strata lots included in the strata plan creating the Strata Lot only to an Employee or a Retiree;
- (b) the First Purchaser must be an Employee or Retiree who has been selected as an eligible purchaser through a lottery held by the Municipality in accordance with the rules and policies on such lotteries of the Municipality current at the time of the lottery.

## 2.3 Statutory Declaration

Within three days after receiving notice from the Municipality, the Owner must deliver to the Municipality a statutory declaration, substantially in the form attached as Schedule "A", sworn by the Owner under oath before a commissioner for taking affidavits in British Columbia, containing all of the information required to complete the statutory declaration. The Municipality may request such a statutory declaration in respect of any particular Strata Lot no more than four times in any calendar year.

## 2.4 Relief from Occupancy Restriction

If the Owner is in breach of section 2.1(b), the Owner may request to be relieved from the obligations under that section for reasons of hardship, but no such request may be made later than 30 days after the Owner has been given notice of breach by the Municipality. The request must be delivered in writing to the Clerk of the Municipality. The request must set out the circumstances of the default and the hardship involved. The Owner agrees that the Municipality is under no obligation to grant any relief, and may proceed with its remedies under this

Agreement, and at law and in equity, despite the Owner's request and the Owner agrees that the relief, if any, is to be determined by the Municipality in its absolute and unfettered discretion.

## 2.5 Restriction on Lease or Rental

- (a) The Owner must not rent or lease any Strata Lot except in accordance with this section.
- (b) Without limiting the generality of section 2.5(a), the Owner may rent or lease a Strata Lot to an individual who is permitted to reside in the Strata Lot by section 2.1.
- (c) The Owner agrees that, subject to subsection 2.5 (e) if a Strata Lot is rented or leased, the rent payable for the Strata Lot must not exceed the rent determined on the basis of \$500 per month per bedroom with the number of bedrooms determined by the Municipality's building inspector having reference to the drawings submitted to the Municipality and approved as part of the building permit issued by the Municipality.
- (d) The Owner agrees that no extra charges or fees may be levied or collected by or on behalf of the Owner for use of any common property, limited common property or other common area, or for sanitary sewer, storm sewer or water utilities. For clarity, this section does not apply to cablevision, telephone or other telecommunications, gas utility or electricity utility fees or charges.
- (e) The Municipality agrees that the rent for the Strata Lot may be increased annually, beginning with the first anniversary of the day on which the occupancy permit was issued by the Municipality for the Strata Lot, by increasing the rent, by adding to the prior year's rent an amount calculated in accordance with the following formula:  

(Original rent as determined under section 2.5(c), plus all previous annual increases X 40%) X Prime Rate on the anniversary date - 2%.
- (f) If a Strata Lot is rented or leased under this section 2.5:
  - (i) a copy of this Agreement must be attached to the rental agreement or lease and the rental agreement or lease must contain the agreement of the tenant or lessee that the Strata Lot is subject to the occupancy restriction in section 2.1(b);

- (ii) the rental agreement or lease must contain a provision that the Strata Lot cannot be occupied in breach of the occupancy restriction in section 2.1(b); and
  - (iii) the rental agreement or lease must entitle the Owner to terminate it on 30 days' notice if the tenant or lessee occupies, or allows occupation of, the Strata Lot in breach of the occupancy restriction in section 2.1(b).
- (g) The Owner agrees to terminate any rental agreement or lease where the tenant or lessee occupies, or allows occupation of, a Strata Lot in breach of the occupancy restriction in section 2.1(b), in accordance with the terms of the rental agreement or lease and the *Residential Tenancy Act* (British Columbia).
- (h) The Municipality may, in its sole discretion, on the request of the Owner agree to permit from time to time any increase in the rents beyond those otherwise permitted under this section on such terms and conditions and in such amounts as the Municipality considers desirable.

## 2.6 Damages and Rent Charge

- (a) The Owner acknowledges that the Municipality requires employee housing to attract employees to work for the local businesses which generate tax and other revenue for the Municipality. The Owner therefore agrees that for each day the Strata Lot is occupied in breach of this Agreement, the Owner must pay the Municipality \$100.00 for each day ("Daily Amount") on which the breach has occurred, as liquidated damages and not as penalty, due and payable at the office of the Municipality on the last day of the calendar month in which the breach occurred. The Daily Amount is increased on January 1 of each year by the amount calculated by multiplying the Daily Amount as of the previous January 1 by the percentage increase between the preceding January 1 and the immediately preceding December 31 in the All-Items Consumer Price Index published by Statistics Canada for Vancouver, where 1996 = 100. The Owner agrees that payment may be enforced by the Municipality in a court of competent jurisdiction as a contract debt.
- (b) By this section, the Owner grants to the Municipality a rent charge under s. 219 of the *Land Title Act* (British Columbia) and at common law, securing payment by the Owner to the Municipality of the amounts described in section 2.6(a). The Municipality agrees that enforcement of the rent charge granted by this section is suspended until the date that is 30 days after the date on which any amount due under section 2.6(a) is due and payable to the Municipality in accordance with section 2.6(a). The Municipality may enforce the rent charge granted by this section by an action for an order for sale or by proceedings for the appointment of a receiver.

## 2.7 Specific Performance

The Owner agrees that the Municipality is entitled to obtain an order for specific performance of this Agreement and a prohibitory or mandatory injunction in respect of any breach by the Owner of this Agreement. The Owner agrees that this is reasonable given the public interest in restricting the occupancy of the Strata Lots in accordance with this Agreement.

## 2.8 Notice of Housing Agreement

For clarity, the Owner acknowledges and agrees that:

- (a) this Agreement constitutes both a covenant under s. 219 of the *Land Title Act* and a housing agreement entered into under s. 905 of the *Municipal Act* (British Columbia);
- (b) the Municipality is required to file a notice of housing agreement in the LTO against title to the Strata Lots; and
- (c) once such a notice is filed, this Agreement binds all persons who acquire an interest in a Strata Lot.

## ARTICLE 3 GENERAL

### 3.1 No Effect on Laws or Powers

This Agreement does not:

- (a) affect or limit the discretion, rights, duties or powers of the Municipality under any enactment or at common law, including in relation to the use or subdivision of the Strata Lots,
- (b) impose on the Municipality any legal duty or obligation, including any duty of care or contractual or other legal duty or obligation, to enforce this Agreement,
- (c) affect or limit any enactment relating to the use or subdivision of the Strata Lots, or
- (d) relieve the Owner from complying with any enactment, including in relation to the use or subdivision of the Strata Lots.

### 3.2 Notice

Any notice which may be or is required to be given under this Agreement must be in writing and be delivered or sent by facsimile transmission or by registered mail to the Owner at the address of the Owner on the Land Title Office record for the Strata Lot. Any notice which is delivered is to be considered to have been given on the first day after it is dispatched for delivery. Any notice which is sent by fax transmission is to be considered to have been given on the first business day after it is sent. Any notice which is sent by registered mail is to be considered to have been given on the third business day after it is given to the post office. If a party changes its address or facsimile number, or both, it must promptly give notice of its new address or facsimile number, or both, to the other party as provided in this section.

### 3.3 Covenant runs With the Strata Lot

Every obligation and covenant of the Owner in this Agreement constitutes both a contractual obligation and a covenant granted by the Owner to the Municipality in accordance with section 219 of the *Land Title Act* in respect of each of the Strata Lots and this Agreement burdens each of the Strata Lots and runs with each of them and binds the Owner's successors in title to each of them and binds every parcel into which they are consolidated or subdivided by any means, including by subdivision or by strata plan under the *Condominium Act* (British Columbia).

### 3.4 Limitation on Owner's Obligations

The Owner is only liable for breaches of this Agreement that occur while the Owner is the registered owner of a Strata Lot.

### 3.5 Waiver

An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

### 3.6 Further Acts

The Owner shall do everything reasonably necessary to give effect to the intent of this Agreement, including execution of further instruments.



### 3.7 Severance

If any part of this Agreement is held to be invalid, illegal or unenforceable by a court having the jurisdiction to do so, that part is to be considered to have been severed from the rest of this Agreement and the rest of this Agreement remains in force unaffected by that holding or by the severance of that part.

### 3.8 No Other Agreements

This Agreement is the entire agreement between the parties regarding its subject and it terminates and supersedes all other agreements and arrangements regarding its subject.

### 3.9 Amendment

This Agreement may be discharged, amended or affected only by an instrument duly executed by both the Owner and the Municipality.

### 3.10 Enurement

This Agreement binds the parties to it and their respective successors, heirs, executors and administrators.

### 3.11 Deed and Contract

By executing and delivering this Agreement each of the parties intends to create both a contract and a deed executed and delivered under seal.

As evidence of their agreement to be bound by the above terms, the parties each have executed and delivered this Agreement under seal by executing Part 1 of the *Land Title Act* Form C to which this Agreement is attached and which forms part of this Agreement.

**SCHEDULE "A"**

|                              |   |                                    |
|------------------------------|---|------------------------------------|
| CANADA                       | ) | IN THE MATTER OF A HOUSING         |
|                              | ) | AGREEMENT with the Resort          |
| PROVINCE OF BRITISH COLUMBIA | ) | Municipality of Whistler ("Housing |
|                              | ) | Agreement")                        |
|                              | ) |                                    |
|                              | ) |                                    |
|                              | ) |                                    |
|                              | ) |                                    |
|                              | ) |                                    |
|                              | ) |                                    |

I, \_\_\_\_\_, OF \_\_\_\_\_, British Columbia, do solemnly declare:

1. That I am the Owner of Strata Lot \_\_\_\_\_, Strata Plan LMS \_\_\_\_\_, and make this declaration to the best of my personal knowledge.

[or]

That I am the \_\_\_\_\_ (director, officer, employee) of the Owner of Strata Lot \_\_\_\_\_ and [make this declaration to the best of my personal knowledge] [have been informed by \_\_\_\_\_ and believe the statement in this declaration to be true].

2. This declaration is made pursuant to the Housing Agreement in respect of Strata Lot \_\_\_\_\_.

3. For the period from \_\_\_\_\_ to \_\_\_\_\_, Strata Lot \_\_\_\_\_ was occupied by the Employee or Retiree whose names and employees appear below and by the Family Members whose names appear below, and by no other persons.

| Name of Employee or Retiree | Name of Employer or Former Employer | Name(s) of Other Occupants | Relations of other Occupant(s) Employee or Retiree |
|-----------------------------|-------------------------------------|----------------------------|--|
|                             |                                     |                            |  |
|                             |                                     |                            |  |



## CONSENT AND PRIORITY AGREEMENT

WHEREAS 8458429 Holdings Limited ("Holdings") is the holder of a Mortgage, an Assignment of Rents and another Mortgage which were registered in the Vancouver Land Title Office under numbers BK149272, BK149273 and BK149274, respectively (collectively called the "Registered Charges") which encumber the lands described in the attached Section 219 Covenant;

AND WHEREAS Holdings is also the holder of unregistered interests (the "Unregistered Charges") in those same lands pursuant to the terms of a letter agreement dated June 17, 1989;

AND WHEREAS the Registered Charges and Unregistered Charges are hereinafter referred to together as the "Charges";

NOW THEREFORE, in consideration of the sum of \$1.00 paid by the Resort Municipality of Whistler to Holdings and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Holdings covenants and agrees as follows:

1. Holdings hereby consents to the granting and registration of the attached Section 219 Covenant and Holdings hereby agrees that the Section 219 Covenant shall be binding upon its interest in and to the lands described in the Section 219 Covenant;
2. Holdings hereby grants to the Resort Municipality of Whistler priority for the Section 219 Covenant over Holdings' right, title and interest under the Charges in and to the lands described in the Section 219 Covenant and Holdings does hereby postpone the Charges and all of its rights, titles and interests thereunder to the Section 219 Covenant as if the Section 219 Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charges.

As evidence of its agreement to be bound by the terms of this instrument, the Prior Chargee hereto has executed the Land Title Office Form C which is attached hereto and forms part of this Agreement.

**PRIORITY AGREEMENT**

BETWEEN:

**RESORT MUNICIPALITY OF WHISTLER**, a municipality incorporated under the *Resort Municipality of Whistler Act*, R.S.B.C. 1996, c. 407 and having its address at 4325 Blackcomb Way, Whistler, B.C., V0N 1B4

(the "Subsequent Chargee")

AND:

**ROYAL BANK OF CANADA**, 613 Columbia Street, New Westminister, British Columbia, V3M 1A7

(the "Prior Chargee")

WHEREAS:

A. Greenside Properties Inc. (the "Owner") is the owner of those parcels of land and premises located in the Resort Municipality of Whistler and legally described as:

Lot A District Lot 3860 Group 1 NWD Plan LMP 34538

(the "Land");

B. The Owner (or its predecessor in title) granted the Prior Chargee a mortgage which is registered against the title to the Land in the Vancouver Land Title Office under number BK149275 (the "Prior Charge");

C. On the 8th day of August, 1997 the Owner granted the Subsequent Chargee a Section 219 Covenant which will be registered concurrently with this Agreement (the "Subsequent Charge");

NOW THEREFORE in consideration of the sum of One (\$1.00) Dollar now paid by the Subsequent Chargee to the Prior Chargee, the receipt and sufficiency of which are hereby acknowledged, the Prior Chargee does hereby grant to the Subsequent Chargee priority over the Prior Charge and the Prior Chargee hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Subsequent Chargee shall rank ahead of the Prior Charge as though the Subsequent Charge had been executed, delivered and registered in time prior to the registration of the Prior Charge.

As evidence of its agreement to be bound by the terms of this instrument, the Prior Chargee hereto has executed the Land Title Office Form C which is attached hereto and forms part of this Agreement.

**END OF DOCUMENT**

**PART 2 - TERMS OF INSTRUMENT  
MODIFICATION AGREEMENT**

THIS AGREEMENT dated for reference April 6, 1998 is made

BETWEEN:

**GREENSIDE PROPERTIES INC.** (Inc. No. 368865) 1000 -840  
Howe Street, Vancouver, British Columbia, V6Z 2M1

(the "Owner")

AND:

**RESORT MUNICIPALITY OF WHISTLER,**  
4325 Blackcomb Way, Whistler, B.C., V0N 1B4

(the "Municipality")

GIVEN THAT:

A. The Owner is the registered owner of those lands and premises in the Resort Municipality of Whistler described as

Lot A District Lot 3860 Group 1 NWD Plan LMP34538

(the "Lands");

B. The Owner and the Municipality entered into a Section 219 Covenant dated for reference the 11th day of August 1997 which was registered in the Land Title Office on August 21, 1997 against title to the Lands under number BL290382 (the "Section 219 Covenant");

C. The Owner and the Municipality have agreed to amend the Section 219 Covenant as hereinafter set forth.

This Agreement is evidence that in consideration of \$2.00 paid by each party to the other (the receipt of which is acknowledged by each), the parties have agreed to amend the Section 219 Covenant as follows:

**ARTICLE 1  
AMENDMENT**

**1.1 Amendment to Section 1.1**

In Section 1 of the Section 219 Covenant, subsection 1.1(a) is deleted and the following substituted therefore:

“(a) “Employee” means an individual who is either employed or self-employed for an average of not less than 20 hours per week over the most recent twelve months and whose principal place of employment or business is located within the boundaries of the Resort Municipality of Whistler;”.

**1.2 Amendment to Section 1.1**

In Section 1 of the Section 219 Covenant, subsection 1.1(g) is deleted and the following substituted therefore:

“(g) “Retiree” means an individual who has ceased employment and who was an Employee for 5 of the 6 years immediately preceding the date on which the individual ceased employment;”.

**1.3 Amendment to Section 1.1**

In Section 1 of the Section 219 Covenant, the following is added as subsection (j):

“(j) “Area” means the area of the Strata Lot as shown on the strata plan, not including limited common property or common property.”

**1.4 Amendment to Section 2.5**

In Section 2.5 of the Section 219 Covenant, subsection 2.5(c) is deleted and the following substituted therefore:

“(c) The Owner agrees that, subject to subsection 2.5 (e), if a Strata Lot is rented or leased to an Employee or a Retiree, the rent payable for the Strata Lot must not exceed the rent determined on the basis of \$1.25 per square foot of Area per month, provided that if an individual bedroom within a Strata Lot is rented out the maximum initial rent will be \$500 per month. The number of bedrooms in a Strata Lot will be determined by the Municipality’s building inspector having reference to the drawings submitted to the Municipality and approved as part of the building permit issued by the Municipality”.

## **1.5 Other Terms and Conditions**

All other terms and conditions of the Section 219 Covenant are hereby ratified and confirmed.

## **ARTICLE 2**

### **GENERAL**

#### **2.1 Enurement**

This Agreement binds the parties to it and their respective successors, heirs, executors and administrators.

As evidence of their agreement to be bound by the above terms, the parties each have executed and delivered this Agreement by executing Part 1 of the *Land Title Act* Form C to which this Agreement is attached and which forms part of this Agreement.



**CONSENT AND PRIORITY AGREEMENT**

WHEREAS 8458429 Holdings Limited ("Holdings") is the holder of a Mortgage, an Assignment of Rents and another Mortgage which were registered in the Vancouver Land Title Office under numbers BK149272, BK149273 and BK149274 modified by BL378087 respectively (collectively called the "Registered Charges") which encumber the lands described in the attached Modification Agreement;

AND WHEREAS Holdings is also the holder of unregistered interests (the "Unregistered Charges") in those same lands pursuant to the terms of a letter agreement dated June 17, 1989;

AND WHEREAS the Registered Charges and Unregistered Charges are hereinafter referred to together as the "Charges";

NOW THEREFORE, in consideration of the sum of \$1.00 paid by the Resort Municipality of Whistler to Holdings and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Holdings covenants and agrees as follows:

1. Holdings hereby consents to the granting and registration of the attached modification of the Section 219 Covenant registered in the Vancouver Land Title Office under number BL290382 and Holdings hereby agrees that the Modification Agreement shall be binding upon its interest in and to the lands described in the Modification Agreement.
2. Holdings hereby grants to the Resort Municipality of Whistler priority for the Modification Agreement over Holdings' right, title and interest under the Charges in and to the lands described in the Modification Agreement and Holdings does hereby postpone the Charges and all of its rights, titles and interests thereunder to the Modification Agreement as if the Modification Agreement had been executed, delivered and registered prior to the execution, delivery and registration of the Charges.

As evidence of its agreement to be bound by the terms of this instrument, the Holdings hereto has executed the Land Title Office Form C which is attached hereto and forms part of this Agreement.

**PRIORITY AGREEMENT**

**BETWEEN:**

**RESORT MUNICIPALITY OF WHISTLER**, a municipality incorporated under the *Resort Municipality of Whistler Act*, R.S.B.C. 1996, c. 407 and having its address at 4325 Blackcomb Way, Whistler, B.C., V0N 1B4

(the "Subsequent Chargee")

**AND:**

**ROYAL BANK OF CANADA**, 613 Columbia Street, New Westminster, British Columbia V3M 1A7

(the "Prior Chargee")

**WHEREAS:**

A. Greenside Properties Inc. (the "Owner") is the owner of those parcels of land and premises located in the Resort Municipality of Whistler and legally described as

Lot A District Lot 3860 Group 1 NWD Plan LMP34538

(the "Land");

B. The Owner (or its predecessor in title) granted the Prior Chargee a mortgage which is registered against the title to the Land in the Vancouver Land Title Office under number BL370921 (the "Prior Chargee");

C. By an agreement dated for reference the 8th day of April, 1998 the Owner granted the Subsequent Chargee a modification of the Section 219 Covenant registered against title to the Land in the Vancouver Land Title Office under number BL290382 which will be registered concurrently with this Agreement (the "Subsequent Chargee");

NOW THEREFORE in consideration of the sum of One (\$1.00) Dollar now paid by the Subsequent Chargee to the Prior Chargee, the receipt and sufficiency of which are hereby acknowledged, the Prior Chargee does hereby grant to the Subsequent Chargee priority over the Prior Charge and the Prior Chargee hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Subsequent Chargee shall rank ahead of the Prior Charge as though the Subsequent Charge had been executed, delivered and registered in time prior to the registration of the Prior Charge.

As evidence of its agreement to be bound by the terms of this instrument, the Prior Chargee hereto has executed the Land Title Office Form C which is attached hereto and forms part of this Agreement.

**END OF DOCUMENT**