

**DISCLOSURE STATEMENT**

of

**WOYWITKA'S BUILDING SUPPLIES LTD.**

**TRUMPETER POINTE SUBDIVISION**

**Dated: March 1, 2007**

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**DEVELOPER:** WOYWITKA'S BUILDING SUPPLIES LTD.  
**Address for Service:** 201 - 64 Station Street, Duncan, BC V9L 1M4  
**Business Address:** 2922 Allenby Road, Duncan, BC V9L 6V3

**REAL ESTATE BROKERAGE  
ACTING ON BEHALF OF  
DEVELOPER:** None

**This Disclosure Statement has been filed with the Superintendent of Real Estate, but neither the Superintendent, nor any other authority of the government of the Province of British Columbia, has determined the merits of any statement contained in the Disclosure Statement, or whether the Disclosure Statement contains a misrepresentation or otherwise fails to comply with the requirements of the *Real Estate Development Marketing Act*. It is the responsibility of the developer to disclose plainly all material facts, without misrepresentation.**

### **RIGHT OF RESCISSION**

**Under Section 21 of the *Real Estate Development Marketing Act*, the purchaser or lessee of a development unit may rescind (cancel) the contract of purchase and sale or contract to lease by serving written notice on the developer or the developer's brokerage, within 7 days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of this Disclosure Statement.**

**The rescission notice may be served by delivering or sending by registered mail a signed copy of the notice to:**

- (a) the developer at the address shown in the disclosure statement received by the purchaser,**
- (b) the developer at the address shown in the purchaser's purchase agreement,**
- (c) the developer's brokerage, if any, at the address shown in the disclosure statement received by the purchaser, or**
- (d) the developer's brokerage, if any, at the address shown in the purchaser's purchase agreement.**

**The developer must promptly place purchaser's deposits with a brokerage, lawyer or notary public who must place the deposit in a trust account in a savings institution in British Columbia. If a purchaser rescinds their purchase agreement in accordance with the Act and regulations, the developer or the developer's trustee must promptly return the deposit to the purchaser.**

**TABLE OF CONTENTS**

<b>TOPIC</b>	<b>PAGE</b>
RIGHT OF RESCISSION	2
1. DEVELOPER INFORMATION	4
2. GENERAL DESCRIPTION OF THE DEVELOPMENT	4
3. SERVICING INFORMATION	5
4. TITLE AND LEGAL INFORMATION	6
5. CONSTRUCTION AND WARRANTIES	8
6. APPROVALS AND FINANCES	8
7. MISCELLANEOUS	9
PROPOSED SUBDIVISION PLAN	EXHIBIT A
PROVISIONS OF PROPOSED COVENANT TO PROTECT RIPARIAN AND FLOODPLAIN AREAS OF LOTS 1 TO 17	EXHIBIT B
PROPOSED STATUTORY BUILDING SCHEME	EXHIBIT C

## **1 The Developer**

- 1.1 The developer is Woywitka's Building Supplies Ltd., a company continued into British Columbia on July 29, 1981 with incorporation number and sometimes referred to in this Disclosure Statement as the "Developer").
- 1.2 The Developer was not incorporated specifically for the purpose of developing the subdivision lots. The Developer has no other assets other than the development property itself.
- 1.3 The registered and records office of the Developer is 201 - 64 Station Road, Duncan, BC V9L 1M4.
- 1.4 The sole director of the Developer is Nick Woywitka.

## **2 General Description**

### **2.1 General Description of the Development**

The development property is comprised of three parcels of land in the District of North Cowichan, British Columbia, between Quamichan Lake, Westlock Road and Maple Bay Road with a combined area of approximately 24 acres.

The Developer will be subdividing the development property into 66 lots and dedicated parkland.

This Disclosure Statement deals with all 66 subdivision lots. The plan of the proposed subdivision of the development property, showing the layout of the development and the approximate dimensions and area of the subdivision lots is attached as Exhibit A to this Disclosure Statement.

The Developer may elect to subdivide the development property by the registration of two subdivision plans, the first to create the subdivision lots which have no waterfront (shown as proposed lots 18 to 66 on the proposed subdivision plan attached as Exhibit A to this Disclosure Statement) and the second to create the subdivision lots having waterfront (shown as lots 1 to 17 on the proposed subdivision plan).

### **2.2 Permitted Use**

Most of the development property is zoned, pursuant to the District of North Cowichan Zoning Bylaw No. 2950, as Residential Restricted (R2), which permits the development property to be used for Single-Family Dwelling and Home-based Business uses (as those terms are defined in the Bylaw). Parts only of those subdivision lots which are bounded on the south east by Maple Bay Road are zoned as Residential Rural Zone (R1) and may be used for Agriculture, Bed and Breakfast, Boarding House, Home-based Business, Single-Family Dwelling, Temporary Trailer and Two-Family Dwelling (as those terms are defined in the Bylaw).

## **2.3 Building Construction**

The purchaser is responsible for construction of any improvements on the subdivision lots. A building permit will be required from the District of North Cowichan.

The District of North Cowichan granted the Developer a development variance permit for the development property on March 7, 2005 which, among other things, reduced the minimum permitted side yard setbacks for some of the subdivision lots. The permit is valid for two years and will lapse if the Developer "does not substantially start construction with respect to which this permit was issued." The Developer has applied for a renewal of the permit.

Buildings must comply with the provisions of the statutory building scheme referred to in section 4.4 (iii) of this Disclosure Statement.

## **3 Servicing Information**

### **3.1 Utilities and Services**

#### **(i) Water**

The subdivision lots will be serviced with water supplied by the District of North Cowichan. The Developer will provide all subdivision lots with a water service connection and pay for installation of a water meter (to be installed later). It is the responsibility of a purchaser to install a line from the water service connection to the house to be built on the subdivision lot and to pay all connection charges required by the District of North Cowichan.

#### **(ii) Electricity**

The subdivision lots will be serviced with electricity provided by British Columbia Hydro and Power Authority. The Developer will install underground electric power lines to each subdivision lot, other than to the subdivision lot shown as Lot 1 on the proposed subdivision plan attached as Exhibit A, which will be serviced with an above ground power line. The installation of power lines to the house to be built on a subdivision lot and the payment of connection charges is the responsibility of the purchaser.

#### **(iii) Sanitary Sewers**

The subdivision lots will be serviced with sanitary sewers connections to the District of North Cowichan sanitary sewer system. The Developer will install sanitary sewer lines to the subdivision lots. The installation of sanitary sewer lines to the house to be built on a subdivision lot and the payment of any connection charges is the responsibility of the purchaser.

#### **(iv) Storm Drains**

The subdivision lots shown as Lots 18 to 66 on the proposed subdivision plan attached as Exhibit A to this Disclosure Statement will be serviced with storm drain connections to the District of North Cowichan storm drain system. The Developer will

install storm drain lines to each of these subdivision lots. The installation of storm drain lines to the house to be built on one of these subdivision lots and the payment of any connection charges is the responsibility of the purchaser.

The subdivision lots shown as Lots 1 to 17 on the proposed subdivision plan attached as Exhibit A to this Disclosure Statement will not be serviced with storm drain connections to the District of North Cowichan storm drain system. The Developer will install a rock pit for the discharge of water from the storm drain system to be with the house on the subdivision lot. The installation of storm drain lines to the house to be built on one of these subdivision lots is the responsibility of the purchaser.

(v) **Natural Gas**

The subdivision lots will be serviced with natural gas provided by Terasen Gas Inc. The Developer will install underground gas service lines to a service point for each subdivision lot. The installation of gas lines to the house to be built on a subdivision lot and the payment of connection charges is the responsibility of the purchaser.

(vi) **Fire Protection**

Fire protection for the subdivision lots is provided by the North Cowichan Fire Department.

(vii) **Telephone**

The subdivision lots will be provided with telephone and telecommunications service by Telus Communications Inc. The Developer will install underground telecommunications lines to each subdivision lot, other than to the subdivision lot shown as Lot 1 on the proposed subdivision plan attached as Exhibit A, which will be serviced with an above ground telecommunications line. The installation of telephone lines to a house to be built on a subdivision lot and the payment of connection charges is the responsibility of the purchaser.

(viii) **Cablevision**

The subdivision lots will be provided with cablevision and telecommunications service by Shaw Communications Inc. The Developer will install underground cable system lines to each subdivision lot, other than to the subdivision lot shown as Lot 1 on the proposed subdivision plan attached as Exhibit A, which will be serviced with an above ground cable line.

The installation of cable system lines to a house to be built on a subdivision lot and the payment of connection charges is the responsibility of the purchaser.

(ix) **Access**

Access to the subdivision lots is from Westlock Place or Westlock Road, in North Cowichan. Internal roads within the development property will be constructed to the standards of the District of North Cowichan with curb and gutter. Sidewalks will be constructed on one side.

## **4 Title and Legal Matters**

### **4.1 Legal Description**

Parcel Identifier: 009-630-058

That part of Parcel A (DD 62589I) of Sections 3 and 4, Range 2, and Section 3, Range 3, Comiaken District, lying within said Section 3, Range 2, and West of Quamichan Lake Road, except Parcel No. 1 (DD 85790I) and except those parts in Plans 14197, 21685, 29141 and VIP58014 ("Parcel A");

Parcel Identifier: 000-548-791

Lot 1, Section 2, Range 2, Comiaken District, Plan 19078 except part in Plan VIP71463 ("Lot 1"); and

Parcel Identifier: 003-440-915

Lot 16, Sections 2 and 3, Range 2, Comiaken District, Plan 21685 ("Lot 16").

### **4.2 Ownership**

The registered owner of the development property is Woywitka's Building Supplies Ltd.

### **4.3 Existing Encumbrances and Legal Notations**

#### **(i) Legal Notations**

- (a) "Plan 421 B.L. re: road" (as to Parcel A only);
- (b) "This title may be affected by a permit under part 26 of the Local Government Act, see EX26047", a notation related to the development variance permit granted for the development property (as to Parcel A and Lot 1 only).

#### **(ii) Encumbrances**

- (a) Right of Way 406834G in favour of British Columbia Hydro and Power Authority (as to Parcel A only);
- (b) Right of Way E19015 in favour of The Corporation of the District of North Cowichan as to the part in Section 3 (as to Parcel A only);
- (c) Mortgage ET54410 and Assignment of Rents ET54411 in favour of HSBC Bank Canada;
- (d) Statutory Right of Way FB006008 in favour of British Columbia Hydro and Power Authority (as to Lot 1 and Lot 16 only);
- (e) Statutory Right of Way FB006009 in favour of Telus Communications Inc. (as to Lot 1 and Lot 16 only).

#### **4.4 Proposed Encumbrances**

- (i) Statutory rights of way to the District of North Cowichan, Shaw Communications Inc., Terasen Gas Inc. and others as required to provide utility services to the subdivision lots;
- (ii) A conservation covenant and rent charge over those lots shown as Lots 1 to 17 on the proposed subdivision plan attached as Exhibit A to this Disclosure Statement, in favour two covenant holders (to be determined) to protect the Quamichan Lake riparian and floodplain areas, containing substantially the provisions set out in Exhibit B to this Disclosure Statement;
- (iii) A statutory building scheme in substantially the form attached as Exhibit C to this Disclosure Statement;
- (iv) A covenant in favour of the District of North Cowichan prohibiting the construction of duplexes on those subdivision lots shown as lots 51 to 54 on the proposed subdivision plan attached as Exhibit A to this Disclosure Statement;
- (v) Such other easements, covenants and statutory rights of way in favour of private and public utility companies and public authorities as may be required to provide the Lots with utilities or confirm building restrictions imposed by local bylaws; and
- (vi) Such other mortgages as the Developer may, during the course of development, grant lenders in order to refinance the existing mortgage on the property.

#### **4.5 Outstanding or Contingent Litigation or Liabilities**

There are no outstanding or contingent litigation or liabilities in respect of the development property or against the Developer that may affect the subdivision lots or the subdivision lot owners.

#### **4.6 Environmental Matters**

The subdivision lots abutting Quamichan Lake (shown as Lots 1 to 17 on the proposed subdivision plan attached as Exhibit A to this Disclosure Statement) include riparian and floodplain areas which must be protected as a condition of final subdivision approval. Covenants will be registered against the titles to these subdivision lots setting out the extent of the areas to be protected and the manner in which the protection is to take place.

The Developer is not aware of any other material facts relating to flooding, the condition of the soil and subsoil, or other environmental factors affecting the development property.

### **5 Construction and Warranties**

#### **5.1 Construction Dates**

The Developer anticipates that all construction required as a condition of final approval of the subdivision will be completed by December 31, 2007.

## 5.2 Warranties

The Developer will install all utilities and the road described in this Disclosure Statement to the standards required by the District of North Cowichan, as well as plantings required for swales and wetland. The Developer is required to provide a one year maintenance guarantee for the construction done by the Developer and a two year maintenance guarantee for all plantings (with an 80% survival rate). All guarantees are supported by maintenance bonds.

The Developer will not be providing any further warranties to purchasers.

## 6 Approvals and Finances

### 6.1 Development Approval

The Approving Officer for the District of North Cowichan granted Tentative Layout Approval for the subdivision of the development property on May 16, 2005, following the issuance of a development variance permit for the development property by the District of North Cowichan on March 7, 2005. The Approving Officer renewed the Temporary Layout Approval on October 23, 2006, extending the expiry date to October 23, 2007.

### 6.2 Construction Financing

The Developer has financing from HSBC Bank Canada to create and service the subdivision lots. The financing is secured by the mortgage and assignment of rents referred to in paragraph 4.3 (ii) (c) above.

## 7 Miscellaneous

### 7.1 Deposits

All monies received by the Developer as a deposit from a purchaser in relation to a subdivision lot will be held in trust by a brokerage (often the brokerage which presents the purchaser's offer to purchase) or a lawyer or notary public who must hold the deposit in the manner required by the *Real Estate Development Marketing Act*.

### 7.2 Purchase Agreement

The Developer intends to use standard MLS forms with customized Addendums, as appropriate, for the sale of the subdivision lots.

### 7.3 Developer's Commitments

There are no commitments made by the Developer which will be met after the completion of the sale of a subdivision lot.

### 7.4 Other Material Facts

None.

**Signatures**

- Deemed Reliance

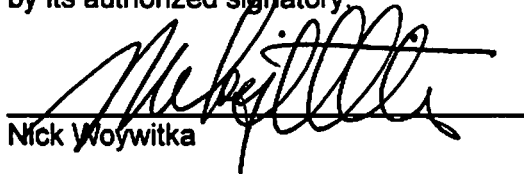
**Section 22 of the *Real Estate Development Marketing Act* provides that every purchaser who is entitled to receive this Disclosure Statement is deemed to have relied upon any false or misleading statement of material fact contained in this Disclosure Statement, if any, and any omission to state a material fact. The developer, its directors and any person who has signed or authorized the filing of this Disclosure Statement are liable to compensate the purchaser for any misrepresentation, subject to any defences available under section 22 of the Act.**

- Declaration

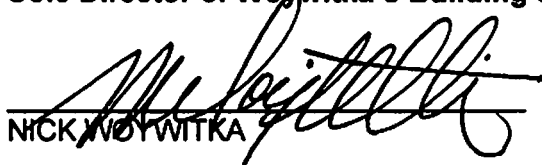
**The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of March 1, 2007.**

**WOYWITKA'S BUILDING SUPPLIES LTD.**

by its authorized signatory:

  
\_\_\_\_\_  
Nick Woywitka

**Sole Director of Woywitka's Building Supplies Ltd.:**

  
\_\_\_\_\_  
NICK WOYWITKA



## EXHIBIT B

### Provisions of Conservation Covenant on foreshore property

- a) A professional arborist is to be retained to ensure that any large trees (mature cottonwoods) are managed in a fashion that meets the Wildlife Tree regulations.
- b) Shoreline viewscales will be created by creating a landscape architecture consisting of islands of tree and shrub vegetation (taller profile) with low shrubs and aquatic vegetation comprising the spaces between islands of taller vegetation.
- c) Islands of replanted conifers and deciduous species will be planted to replace dead and unhealthy vegetation. The program will be designed by a professional team consisting of an arborist, landscape architect and aquatic biologist.
- d) A management approach to mature trees is to be designed by a professional arborist.
- e) Windthrow management will be based upon retaining a professional arborist and a treatment plan such that any trees that might present a windthrow concern be either topped to create wildlife trees or, if necessary, pushed into the lake to provide LWD habitat along the foreshore.