

UG 2007 LAND TITLE ACT  
FORM C

LB096528

14 AUG 2007 10 03

LB096526

(Section 233)

Province of British Columbia

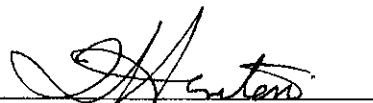
GENERAL INSTRUMENT - PART 1

(This area for Land Title Office use)

Page 1 of 15 pages

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

Fran Hinton, McCarthy Tétrault LLP  
1300-777 Dunsmuir Street, Vancouver, B.C., V7Y 1K2  
Phone: (604) 643-7100 Client No. 010452



2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:\*

(PID)

(LEGAL DESCRIPTION)

77 07/08/14 10:10:06 01 KL  
CHARGE011233  
\$196.95

SEE SCHEDULE

3. NATURE OF INTEREST:\*

DESCRIPTION

DOCUMENT REFERENCE  
(PAGE AND PARAGRAPH)

PERSON ENTITLED TO INTEREST

SEE SCHEDULE

4. TERMS: Part 2 of this instrument consists of (select one only):

- (a) Filed Standard Charge Terms ☐ D.F. Number:
- (b) Express Charge Terms ☒ Annexed as Part 2
- (c) Release ☐ There is no Part 2 of this instrument.

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in Item 2.

5. TRANSFEROR(S):\*

TOWER RANCH HOLDING CORPORATION (Inc. No. 449686) (as to grant of statutory right of way and rent charge); and THE BANK OF NOVA SCOTIA (as to priority agreement on page 15)

6. TRANSFeree(S): (including postal address(es) and postal code(s)):

TOWER RANCH COMMUNITY ASSOCIATION (Inc. No. XS-0052337), 800-200 Burrard Street, Vancouver, British Columbia, V6C 3L6 (See D.F. No. LB074077)


## 7. ADDITIONAL or MODIFIED TERMS:\*

N/A

## 8. EXECUTION(S):\*\*This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

## USE BLACK INK ONLY

Officer Signature(s)

  
**B. GLENN LEUNG**  
Barrister & Solicitor  
1300 - 777 DUNSMUIR STREET  
VANCOUVER, B.C. V7Y 1K2  
604-643-7108  
**B. GLENN LEUNG**  
Barrister & Solicitor  
1300 - 777 DUNSMUIR STREET  
VANCOUVER, B.C. V7Y 1K2  
604-643-7108

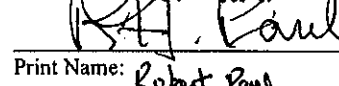
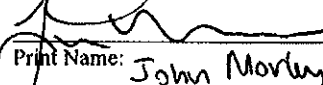
(as to signature of Mark Tower only)

## Execution Date

Y	M	D
07	07	27
07	07	30
07	07	27

## USE BLACK INK ONLY

Party(ies) Signature(s)

TOWER RANCH HOLDING  
CORPORATION by its authorized  
signatory(ies):  
Print Name: Mark Tower  
Print Name: Robert PaulTOWER RANCH COMMUNITY  
ASSOCIATION by its authorized  
signatory(ies):  
Print Name: Mark Tower  
Print Name: John Morley

OFFICER CERTIFICATION: Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

\* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

\*\* If space insufficient, continue executions on additional page(s) in Form D.

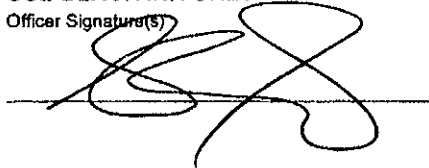
LAND TITLE ACT  
FORM D

## EXECUTIONS CONTINUED

Page 3 of 15 pages

## USE BLACK INK ONLY

Officer Signature(s)



**SARAH A. BATUT**  
Barrister & Solicitor  
2100 - 1075 West Georgia Street  
Vancouver, B.C. V6E 3G2  
604-631-4954

## Execution Date

Y M D


07	07	31
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## USE BLACK INK ONLY

Party(ies) Signature(s)

**THE BANK OF NOVA SCOTIA**  
(as holder of the charges referred to on  
page 15)  
by its ~~authorized signatory(ies)~~  
*only appointed attorney*

Print Name:

  
Print Name **Gary M. Lindsey, AGM**  
Global Risk Management  
**BW 485436**

OFFICER CERTIFICATION: Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

**LAND TITLE ACT  
FORM E**

**SCHEDULE**

Page 4 of 15 pages

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM.

**2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:**  
(PID) (LEGAL DESCRIPTION)

026-686-651	Lot 2, Section 31, Township 27, Osoyoos Division, Yale District, Plan KAP80993
026-686-660	Lot 3, Section 31, Township 27, Osoyoos Division, Yale District, Plan KAP80993
026-686-678	Lot 4, Section 31, Township 27, Osoyoos Division, Yale District, Plan KAP80993
026-686-694	Lot 6, Section 31, Township 27, Osoyoos Division, Yale District, Plan KAP80993

**3. NATURE OF INTEREST:**  
DESCRIPTION

DOCUMENT REFERENCE  
(PAGE AND PARAGRAPH)

PERSON ENTITLED TO INTEREST

Statutory Right of Way	Page 8, Paragraph 2.1	Tower Ranch Community Association
Rent Charge	Page 11, Paragraph 6.5	Tower Ranch Community Association
Priority Agreement granting Statutory Right of Way _____ priority over Mortgage KH21405 (as extended by LB26066 and modified by LB26067) and Assignment of Rents LB26068	Page 15	Tower Ranch Community Association

LAND TITLE ACT

TERMS OF INSTRUMENT – PART 2

Page 5 of 15 page

**STATUTORY RIGHT OF WAY AGREEMENT/RENT CHARGE**

**THIS AGREEMENT** made as of July 27, 2007,

**BETWEEN:**

**TOWER RANCH HOLDING CORPORATION**, a British Columbia corporation having an address at Suite 800, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6

(“**TRHC**”)

**AND:**

**TOWER RANCH COMMUNITY ASSOCIATION**, a British Columbia society having an address at Suite 800, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6

(the “**Community Association**”)

**WHEREAS:**

- A. TRHC is the registered owner of the Tower Ranch Lands;
- B. It is intended that the Tower Ranch Lands will be part of a multi-staged development which, upon completion, will consist of approximately 800 separate residential freehold lots and residential strata lots which are intended to share the Amenities (as defined herein);
- C. TRHC, together with certain other persons, has incorporated the Community Association for the purpose of ensuring that the Tower Ranch Lands will be able to share the Amenities in a reasonable and fair manner;
- D. Accordingly, TRHC, on behalf of the Owners, wishes to grant to the Community Association a statutory right of way for the purpose of enabling the Community Association to enjoy the Amenities and to carry out its purposes, as set out in its Constitution, pursuant to the terms of its Bylaws (including, without limitation, the use, operation and maintenance of the Amenities);
- E. Pursuant to section 218(1)(d) of the *Land Title Act*, a person may grant an easement without a dominant tenement known as a statutory right of way to a designated person;

- F. The Community Association has been designated by the minister under section 218(1)(d) of the *Land Title Act*;
- G. The statutory right of way granted herein is necessary for the operation and maintenance of the Community Association's undertaking;
- H. Pursuant to the Bylaws of the Community Association, TRHC has agreed, on behalf of the Owners, to pay to the Community Association certain amounts as set out herein in connection with the exercise by the Community Association of its powers and duties; and
- I. TRHC, on behalf of the Owners, has agreed to grant to the Community Association a rent charge against the Tower Ranch Lands to secure payment of such amounts.

**THEREFORE** this Agreement witnesses that in consideration of the sum of \$1.00 now paid by each party hereto to the other and other good and valuable consideration, the receipt and sufficiency of which is by each party hereby acknowledged, the parties agree as follows:

#### **1.0 DEFINITIONS**

- 1.1 For the purposes of this Agreement, each of the following terms shall have the meanings hereinafter described:

- (a) **"Amenities"** means the following features which are intended for the communal use of the Owners, tenants and occupants from time to time of the Properties and their respective guests:
  - (i) that amenity centre and fitness centre located or to be located in a strata lot or in strata lots to be located on lands currently legally described as Parcel Identifier 026-686-708, Lot 7, Section 31, Township 27, Osoyoos Division, Yale District, Plan KAP80993;
  - (ii) the landscape areas located or to be located on the areas within the Tower Ranch Lands which have been dedicated "road" or are hereafter dedicated "road" from time to time;
  - (iii) the network of trails which is located or to be located within the Tower Ranch Lands for walking, hiking, bicycling and similar recreational purposes; and
  - (iv) if TRHC constructs them, such other amenities as are constructed on the Tower Ranch Lands for the common benefit of the Owners, tenants and occupants from time to time of the Properties and their respective guests (for example, a pool and change rooms),

and **"Amenity"** means any one of them;

- (a) **"Bylaws"** means the bylaws of the Community Association as they may be amended or replaced from time to time;

- (b) “**Constitution**” means the constitution of the Community Association as it may be amended or replaced from time to time;
- (c) “**directors**” means the directors of the Community Association from time to time;
- (d) “**Land Title Act**” means the *Land Title Act* (British Columbia) from time to time in force and all amendments thereto or other similar legislation which may hereafter be enacted in its place;
- (e) “**Maintenance Costs**” means (i) all costs properly attributable, in accordance with generally accepted accounting principles, to the management, operation, repair, control and maintenance of the Amenities including, without limitation, fees payable to any property manager, professional advisor, service provider or other person in connection therewith, (ii) all property taxes and strata fees and levies payable by the Community Association, (iii) all other holding costs of whatever type payable by the Community Association in connection with any interests in land held by the Community Association, (iv) reasonable reserves for contingencies and replacements of capital items, (v) the cost of maintaining insurance for or in respect of the Amenities, (vi) the costs of making any improvements of a capital nature to any of the Amenities which may be required from time to time and (vii) all other costs incurred by the Community Association in connection with the exercise by it of its powers and duties;
- (f) “**Owners**” means the registered owners from time to time of the Properties, and “**Owner**” means any one of them in respect of the relevant Property; however, in no event will “Owners” ever include the Community Association;
- (g) “**Properties**” means the residential freehold lots and residential strata lots into which the Tower Ranch Lands are subdivided under the *Land Title Act* or the *Strata Property Act* from time to time, and “**Property**” means any one of them; however, in no event will “Properties” ever include any lands owned or leased from time to time by the Community Association;
- (h) “**Proportionate Share**” has the meaning set out in section 5.3;
- (i) “**Rent Charge**” means the amounts payable hereunder by the Owners to the Community Association from time to time pursuant to sections 6.1 and 6.2 hereof, and in addition refers to the charge granted hereby by TRHC, on behalf of the Owners, against the Tower Ranch Lands to secure payment of such amounts to the Community Association;
- (j) “**Strata Property Act**” means the *Strata Property Act* (British Columbia) from time to time in force and all amendments thereto or other similar legislation which may hereafter be enacted in its place; and
- (k) “**Tower Ranch Lands**” means the lands and premises located in the City of Kelowna and legally described in Schedule A hereto.

**2.0 GRANT OF STATUTORY RIGHT OF WAY**

2.1 TRHC, as owner of the Tower Ranch Lands, hereby grants to the Community Association, pursuant to section 218 of the *Land Title Act*, the non-exclusive full, free and uninterrupted statutory right of way, liberty and easement (subject only to the terms hereof) for the Community Association and all contractors, workmen, agents and invitees of the Community Association at all times hereafter, in common with the Owners and all other persons now or hereafter having the express or implied permission of the Owners to a similar right, to:

- (a) enter over, on or into any portion of the Tower Ranch Lands as it is reasonably necessary to enter over, on or into in order to use and enjoy the Amenities (and the parties hereto agree that such right shall extend to and may be exercised by any of the Owners, tenants and occupants from time to time of the Properties and their respective guests, subject to the rights of the Community Association under the Bylaws);
- (b) enter over, on, in and under any portion of the Tower Ranch Lands in order to operate, maintain, clean, cover with soil, alter, relocate, renew, inspect and replace, as the case may be, the Amenities and in order to exercise any of the Community Association's other powers and duties (as set out in its Constitution and Bylaws);
- (c) bring onto the Tower Ranch Lands all machinery, vehicles, materials and equipment it requires or desires for any of the foregoing purposes;
- (d) make reasonable ancillary use of the Tower Ranch Lands for carrying out its purposes hereunder; and
- (e) do all acts which are reasonably necessary and incidental to the use of the Tower Ranch Lands as permitted herein and the exercise of the rights granted hereby.

**3.0 COVENANTS OF THE COMMUNITY ASSOCIATION**

3.1 The Community Association hereby covenants and agrees with TRHC, on behalf of the Owners, that:

- (a) the Community Association will, insofar as it is practicable so to do, exercise its rights under this Agreement in such a manner as not to interfere unduly with the use of the Tower Ranch Lands by the Owners or any of the tenants or occupants of the Tower Ranch Lands or any of their respective agents or invitees; and
- (b) the Community Association will use all reasonable efforts to minimize the nuisance and inconvenience to the Owners, the tenants and occupants of the Tower Ranch Lands or any of their respective agents or invitees arising out of the exercise by the Community Association of the statutory right of way, liberty and easement granted to it in this Agreement.



#### **4.0 ACKNOWLEDGEMENT**

- 4.1 TRHC, on behalf of the Owners, acknowledges and confirms that, pursuant to the Constitution and the Bylaws, the Community Association has, *inter alia*, the power and duty:
- (a) to manage, operate, control and maintain the Amenities;
  - (b) to prepare and administer an annual budget of Maintenance Costs and to recover from the Owners such Maintenance Costs and any special levies which the Community Association may determine from time to time to be necessary in connection with the ownership, operation, maintenance, repair and replacement of the Amenities;
  - (c) to make, amend and rescind reasonable rules and regulations governing, restricting or affecting the manner in which the Amenities may be used or enjoyed and to take all such reasonable actions as may be necessary to enforce or prevent any breach of such rules and regulations provided such rules and regulations are made solely for the purpose of regulating the hours of use, enjoyment, safety, cleanliness, management, maintenance or operation of the Amenities, and are applied equally to all Owners and others having similar rights; and
  - (d) to own and operate any personal property and land (either freehold or leasehold) and to hold any interests in land as may be reasonably required in order to facilitate the provision of the Amenities to the Tower Ranch Lands and the performance of the powers and duties of the Community Association and to grant leasehold or subleasehold interests or licences to any persons as may be reasonably required in connection with the provision of the Amenities to the Tower Ranch Lands or in connection with the performance of the powers and duties of the Community Association.

#### **5.0 MAINTENANCE COSTS**

- 5.1 Prior to each fiscal year of the Community Association, the directors will prepare an annual budget of Maintenance Costs which will set out by categories their best estimate of the Maintenance Costs for the next fiscal year. The budget will include a reasonable provision for contingencies and future replacements. The Community Association may amend the budget at any time.
- 5.2 The Maintenance Costs will be apportioned between the Properties on the basis of the Proportionate Share for each Property (unless and until otherwise determined by the Community Association). This apportionment is intended to reflect the sharing of the Maintenance Costs on an equitable basis and in a manner which reasonably reflects the use by and benefit to each of the Properties of the Amenities.

- 5.3 (a) For the purposes of this Agreement, "**Proportionate Share**" shall for each Property mean the fraction which has:
- (i) as its numerator the number 1; and
  - (ii) as its denominator the number of residential freehold lots and residential strata lots located on all of the Properties from time to time
- (provided that no Property shall be included in such calculation until such time as TRHC has transferred its registered interest in such Property to another person).
- (b) For greater certainty, no Proportionate Share of Maintenance Costs shall be payable in respect of any particular Property until such time as TRHC has transferred its registered interest in such Property to another person.
- (c) For greater certainty, improvements of a capital nature to the Amenities may be made from time to time by the Community Association, in which event the cost of making same will be included in Maintenance Costs and will be shared by each of the Owners paying its Proportionate Share thereof in respect of its Property unless otherwise determined by the Community Association.
- 5.4 For greater certainty, in no event shall any lands which are owned by or leased to the Community Association be included in the "Properties" between which the Maintenance Costs are apportioned.
- 6.0 PAYMENTS BY OWNERS AND RENT CHARGE**
- 6.1 TRHC, on behalf of the Owners, covenants and agrees that each of the Owners shall pay to the Community Association during each fiscal year of the Community Association such Owner's Proportionate Share (in respect of each Property owned by such Owner) of the budgeted Maintenance Costs for that fiscal year, by payment of twelve equal installments in advance on or before the first day of each month during that fiscal year.
- 6.2 TRHC, on behalf of the Owners, covenants and agrees that each of the Owners shall pay to the Community Association any special levies which the Community Association may determine from time to time to be necessary in connection with the ownership, operation, maintenance, repair and replacement of the Amenities. Each Owner will be required to pay its Proportionate Share (in respect of each Property owned by such Owner) of any special levy to the Community Association within 30 days of receipt of demand.
- 6.3 For greater certainty, TRHC shall not be required to pay any amounts pursuant to sections 6.1 and 6.2,
- 6.4 (a) If an Owner is late in paying to the Community Association any amount payable pursuant to section 6.1 or section 6.2, the Owner must pay to the Community Association interest on the late payment in the amount of 15% per annum compounded monthly, commencing the date the payment was due and continuing until paid.

- (b) Any payment made by an Owner pursuant to paragraph (a) immediately above will first be applied to the payment of outstanding interest and secondly to the payment of the outstanding share of Maintenance Costs or special levies.
  - (c) The Community Association shall be entitled to and is hereby granted the right of foreclosure and the right of distress and shall also have all other powers and remedies of a chargeholder at law. Without limiting the foregoing or anything in this Agreement, the Community Association may suspend the right of an Owner to use and enjoy the Amenities, or any of them, if the Owner is in default of its obligation to pay the amounts secured by the Rent Charge.
- 6.5 TRHC, on behalf of the Owners, hereby grants to the Community Association a Rent Charge in respect of the Tower Ranch Lands in respect of the payment of the amounts due to the Community Association hereunder. Such Rent Charge will be the absolute property of the Community Association and all amounts payable in respect thereof by any Owner will be payable by the Owner forthwith upon demand, without any deduction or set-off whatsoever.
- 6.6 Subject to the terms hereof, the amounts secured by the Rent Charge shall become due and payable in perpetuity; however, in respect of the liabilities related to any particular Property, the Owner thereof shall be released from such liabilities hereunder arising in respect of the period after such Owner ceases to be the owner of such Property upon such Owner ceasing to be the owner thereof. If the law requires that the Rent Charge run for a fixed term, then its term shall end immediately prior to the end of the 21<sup>st</sup> year after the lifetime of the last survivor of the last lawful descendants now living of Her Majesty Queen Elizabeth II.
- 7.0 SUBDIVISIONS**
- 7.1 If the Tower Ranch Lands are subdivided, either wholly or in part, and at any time and from time to time pursuant to the provisions of the *Land Title Act*, or of the *Strata Property Act*, as either may be amended from time to time, or of other similar legislation enacted from time to time, on the deposit of the plan of subdivision or strata plan, as the case may be, the burden of the statutory right of way and Rent Charge granted in respect of the Tower Ranch Lands:
- (a) shall run with and bind each of the new parcels, lots, strata lots or other subdivided parcels shown on such plan; and
  - (b) shall continue to run with and bind the remainder, if any, of the lands subdivided.
- Upon any such subdivision, this Agreement shall be read and construed such that the owner of any Property created by such a subdivision is liable for a breach of this Agreement only to the extent that it relates to the Property owned by such Owner.

**8.0 MISCELLANEOUS**

8.1 TRHC, on behalf of the Owners, acknowledges that the Community Association will lease the amenity centre referred to in paragraph (i) of the definition of "Amenities" in this Agreement to TRHC for a term ending on or before the Transition Date (as defined in the Bylaws) for use as a sales centre. Accordingly, notwithstanding any other provision of this Agreement, until such time as the term of such lease has expired or such lease has been terminated:

- (a) the Owners, tenants and occupants from time to time of the Properties and their respective guests will not be entitled to use the amenity centre; and
- (b) none of the costs related to the management, operation, repair, control and maintenance of the amenity centre will be included in the Maintenance Costs which are recoverable from the members pursuant to the Bylaws and this Agreement.

For greater certainty, the amenity centre referred to above does not include the fitness centre referred to in paragraph (i) of the definition of "Amenities".

- 8.2 TRHC, on behalf of the Owners, covenants and agrees with the Community Association that each Owner must become a member of the Community Association, in accordance with the terms of the Bylaws thereof, forthwith upon an Owner acquiring registered title to a Property.
- 8.3 TRHC, on behalf of the Owners, agrees to do and execute, or cause to be made, done or executed, all such further and other lawful acts, deeds, things, devices, conveyances and assurances in law or equity whatsoever from time to time and at all times upon every reasonable request for better assuring unto the Community Association the rights granted to it herein.
- 8.4 The statutory right of way and Rent Charge herein contained will be construed as running with the land but no part of the fee of the soil thereof will pass to or be vested in the Community Association under or by this Agreement.
- 8.5 The expressions "TRHC" and "Community Association" herein contained will be deemed to include the heirs, executors, administrators, successors, assigns, employees, servants, agents, officers and invitees of such parties wherever the context or the parties hereto so permit or require.
- 8.6 Waiver of any default by any party will not be deemed to be a waiver of any subsequent default by that party.
- 8.7 Whenever it is required or desired that any party serve a notice on any of the other parties, service will be deemed to be satisfactory if and deemed to have occurred when the party being served has been served personally.

- 8.8 If any section, subsection, sentence, clause or phrase in this Agreement is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion will be severed and the decision that is invalid will not affect the validity of the remainder of this Agreement.
- 8.9 This Agreement will be governed and construed in accordance with the laws of the Province of British Columbia.
- 8.10 This Agreement will enure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns. For greater certainty, pursuant to subsection 218(3)(b) of the *Land Title Act*, all the terms, conditions and covenants expressed in this Agreement (including, without limitation, the Rent Charge) are binding on and take effect to the benefit of TRHC and its successors in title (including all Owners from time to time, whether or not any such Owner is a member of the Community Association) and to the benefit of the Community Association and its successors in title.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement by executing the Form C or any Form D attached hereto and agree to be bound by its terms.

**SCHEDULE A****TOWER RANCH LANDS**

Those lands located in Kelowna, British Columbia, which are legally described as follows:

<b>PID</b>	<b>Legal Description</b>
026-686-651	Lot 2, Section 31, Township 27, Osoyoos Division, Yale District, Plan KAP80993
026-686-660	Lot 3, Section 31, Township 27, Osoyoos Division, Yale District, Plan KAP80993
026-686-678	Lot 4, Section 31, Township 27, Osoyoos Division, Yale District, Plan KAP80993
026-686-694	Lot 6, Section 31, Township 27, Osoyoos Division, Yale District, Plan KAP80993

**PRIORITY AGREEMENT**

**WHEREAS** THE BANK OF NOVA SCOTIA (the "**Chargeholder**") is the holder of the mortgage and assignment of rents encumbering those lands legally described in item 2 of the Form C – General Instrument to which this Priority Agreement is attached (the "**Charged Land**"), which mortgage and assignment of rents are registered in the Kamloops Land Title Office under instrument numbers KH21405 (as extended by LB26066 and modified by LB26067) and LB26068 (together, the "**Charges**").

**THEREFORE THIS PRIORITY AGREEMENT WITNESSETH THAT** for and in consideration of \$1.00 and other good and valuable consideration paid by the Community Association to the Chargeholder (the receipt and sufficiency of which the Chargeholder hereby acknowledges):

1. The Chargeholder hereby grants to the statutory right of way in favour of the Community Association contained in the attached Agreement (the "**Statutory Right of Way**") priority for the Statutory Right of Way over the Chargeholder's right, title and interest in and to the Charged Land and the Chargeholder does hereby postpone the Charges and all of its right, title and interest thereunder to the Statutory Right of Way as if the attached Agreement had been executed, delivered and registered prior to the execution, delivery and registration of the Charges and prior to the advance of any money pursuant to the Charges.

**IN WITNESS WHEREOF** the Chargeholder has executed this Priority Agreement by executing the Form C or a Form D to the attached Agreement.

**- END OF DOCUMENT -**