

CONTRACT OF PURCHASE AND SALE

THIS AGREEMENT is dated for reference the _____ day of _____, 2022.

AMONG:

CHRISTIAN AND MISSIONARY ALLIANCE – CANADIAN PACIFIC DISTRICT (Incorporation No. S0015034), a society duly incorporated pursuant to the laws of the Province of British Columbia, having a registered office located at 101 – 17660 65A Avenue, Surrey, British Columbia, V3S 5N4

(the “**Vendor**”)

AND:

◆ (Incorporation No. BC◆), a company duly incorporated pursuant to the laws of the Province of British Columbia, having a registered office located at ◆

(the “**Purchaser**”)

AND:

FOREFRONT COMMUNITIES LTD. (Incorporation No. BC1166390), a company duly incorporated pursuant to the laws of the Province of British Columbia, having a registered office located at 1600 – 925 West Georgia Street, Vancouver, BC, V6C 3L2

(the “**Developer**”)

BACKGROUND

- A. The Vendor is the registered and beneficial owner of the lands and premises situate at the civic address of 7640 200th Street, Langley, British Columbia, legally described as:

Parcel Identifier No.: 010-734-741, Lot 18 Except: Firstly; Part Dedicated Road on Plan 67548, Secondly; Part Dedicated Road on Plan NWP88336, Section 23 Township 8 New Westminster District Plan 2759

(the “**Lands**”).

- B. The Vendor intends to sub-divided the Lands into three (3) lots; namely, a western lot (the “**Western Parcel**”), a central lot (the “**Central Parcel**”), and an eastern lot (the “**Eastern Parcel**”), substantially as set out in the sketch plan attached hereto as Exhibit “A”.

- C. The Vendor has agreed to sell, and the Purchaser has agreed to purchase, the Western Parcel and the Central Parcel, on the terms and subject to the conditions and exceptions provided in this Agreement.
- D. The Vendor wishes to retain the Developer to subdivide the Lands and to develop a mixed-use community on the Lands consisting of a new church facility, offices, retail spaces, multi-family residential housing, and a twelve (12)-storey senior housing facility (collectively, the “**Project**”), the construction of which shall commence following completion of the purchase and sale of the Western Parcel and the Central Parcel contemplated herein.

TERMS OF AGREEMENT

In consideration of the premises and the covenants, agreements, representations, warranties, and payments contained in this Agreement, the parties agree with the others as follows:

1. PURCHASE AND SALE OF ASSETS

1.1 Description of Assets

Upon the terms and subject to the conditions of this Agreement, the Vendor agrees to sell, assign, and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor, as a going concern at the Time of Closing, the following:

- (a) the Western Parcel;
- (b) the Central Parcel;
- (c) the buildings and improvements located on the Western Parcel and the Central Parcel at the Time of Closing (the “**Buildings and Improvements**”);
- (d) the benefit of contracts, engagements, permits, licences, and commitments, whether written or oral, to which the Vendor is entitled in connection with the Project and the development of the Western Parcel and the Central Parcel (the “**Material Contracts**”), and in particular all right, title, and interest of the Vendor in, to and under the material agreements and contracts described in the Schedule of Material Contracts attached hereto as Exhibit “B”, including, without limitation, any and all development and building permits for the Western Parcel and the Central Parcel issued by the Township of Langley to the Vendor prior to the Closing Date;

all of which are collectively called the “**Assets**”.

1.2 Title

Title to the Western Parcel and the Central Parcel shall be delivered by the Vendor to the Purchaser at the Time of Closing free and clear of all encumbrances, except subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights of way in favour of utilities and public authorities, existing tenancies set out below, if any, and except as otherwise set out herein.

If the Vendor has existing financial charges to be cleared from title to the Western Parcel and the Central Parcel, the Vendor, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Purchaser may pay the Purchase Price to a lawyer or notary in trust, on undertakings to pay and discharge the financial charges, and to remit the balance, if any, to the Vendor.

1.3 Closing and Possession

The Purchaser shall have vacant possession of the Western Parcel, the Central Parcel, and all Buildings and Improvements at 12:00 p.m. on the date immediately following the date upon which the Time of Closing occurs (the “**Closing Date**”). As at the date hereof, the parties hereto estimate that the Closing Date will occur on or about March 31, 2025. The Vendor and the Purchaser hereby acknowledge and agree that the Closing Date shall be the date upon which the first draw of the construction loan for the Project is advanced by the construction lender for the Project (the “**Construction Lender**”); which Closing Date shall, except as otherwise expressly agreed by the parties hereto, occur on or before March 31, 2026.

1.4 Adjustments

The Purchaser shall assume and pay all realty taxes, rates, local improvement assessments, fuel, utilities, and other charges in respect of the Western Parcel and the Central Parcel from and including the date set for adjustment, and all adjustments, both incoming and outgoing of whatsoever nature, shall be made as of the date immediately following the Closing Date.

1.5 Costs

The Vendor shall bear all costs associated with delivering clear title to the Assets on the Closing Date.

2. PURCHASE PRICE AND ALLOCATION

2.1 Purchase Price

The purchase price payable by the Purchaser to the Vendor for the Assets (the “**Purchase Price**”) will be an amount equivalent to the Fair Market Value (as hereinafter defined) of the Assets on the Closing Date.

2.2 Fair Market Value

The fair market value (the “**Fair Market Value**”) of the Assets shall be the residual land value as determined in the Project budget (the “**Project Budget**”) prepared by the Construction Lender’s cost consultant and project monitor (the “**Cost Consultant**”) on behalf of, and as approved by, the Construction Lender. The Fair Market Value shall be determined on or before the date which is thirty (30) days prior to the Closing Date (the “**Fair Market Value Determination Date**”), and shall be calculated based on the following formula:

$$\frac{\text{Revenues} - \text{Costs} \times (1 + \text{Yield on Cost } \%) }{1 + \text{Yield on Cost } \%}$$

Revenues

Project Revenues as at the Fair Market Value Determination Date (derived from signed pre-sale contracts and capitalized net operating income from signed commercial leases)

Plus:

Projected Project Revenues as at the Fair Market Value Determination Date (derived from projected Project sales revenues and capitalized net operating income on remaining inventory as determined by the Construction Lender’s appraiser)

Costs

Soft Costs (derived from costs incurred to the Fair Market Value Determination Date and soft costs-to-complete, including related land costs such as provincial property transfer taxes)

Plus:

Hard Costs (derived from tendered and projected construction costs as at the Fair Market Value Determination Date)

Plus:

Soft and Hard Cost contingencies as required by the Construction Lender

Yield on Cost

a 15% return on total Project costs

3. **PAYMENT OF THE PURCHASE PRICE**

3.1 The Purchase Price shall be paid and satisfied as follows:

(a) as to a deposit in the aggregate amount of EIGHT HUNDRED THOUSAND (\$800,000.00) DOLLARS (the “**Deposit**”), which shall form part of the Purchase Price, and which shall be paid on the following terms:

(i) an initial instalment of the Deposit in the amount of TWO HUNDRED THOUSAND (\$200,000.00) DOLLARS (the “**First Deposit Instalment**”)

shall be paid by the Purchaser, within seven (7) days of execution of this Agreement by all parties hereto, into an account opened by the Purchaser in the name of the Purchaser for the purpose of administering costs and expenses incurred in connection with the development of the Eastern Parcel (the “**Project Account**”);

- (ii) the balance of the Deposit shall be paid by the Purchaser into the Project Account in quarterly instalments of ONE HUNDRED FIFTY THOUSAND (\$150,000.00) DOLLARS commencing on the date which is ninety (90) days following the date upon which the First Deposit Instalment is paid into the Project Account;
 - (iii) the Purchaser shall be entitled, in its sole discretion, at any time and from time to time to draw from the Project Account to pay all costs and expenses incurred by the Purchaser on behalf of the Vendor in connection with the development of the Eastern Parcel, including but not limited to the Eastern Parcel’s proportional share of costs related to master-planning, entitling, subdividing, and servicing the Lands;
 - (iv) the Purchaser shall maintain clear and accurate records of all costs and expenses incurred by the Purchaser on behalf of the Vendor in connection with the development of the Eastern Parcel and all corresponding amounts deducted from the Project Account, and, on the Closing Date, the total amount deducted from the Project Account shall be credited to the Purchaser on account of the Purchase Price; and
- (b) as to the balance of the Purchase Price, by certified cheque, solicitor’s trust cheque, or bankers draft payable at par in Vancouver to or to the order of the Vendor and delivered on the Closing Date.

3.3 **Other Obligations**

On and after the Closing Date, the Purchaser shall assume, perform, and discharge all obligations arising after the Closing Date under the Material Contracts, and the Purchaser shall indemnify and save the Vendor harmless from all claims, demands, suits, and actions under the Material Contracts in respect of events after closing.

4. **REPRESENTATIONS AND WARRANTIES OF THE VENDOR**

The Vendor represents and warrants to the Purchaser as follows, with the intent that the Purchaser will rely on these representations and warranties in entering into this Agreement, and in concluding the purchase and sale contemplated by this Agreement.

4.1 **Capacity to Sell**

The Vendor is a society duly incorporated, validly existing, and in good standing under the British Columbia *Societies Act* with respect to the filing of annual reports, and has the power and capacity to own and dispose of the Assets, and to enter into this Agreement and carry out its terms to the full extent.

4.2 Authority to Sell

The execution and delivery of this Agreement and the completion of the transaction contemplated by this Agreement have been duly and validly authorized by all necessary corporate action on the part of the Vendor, and this Agreement constitutes a legal, valid, and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms, except as may be limited by laws of general application affecting the rights of creditors.

4.3 Sale Will Not Cause Default

Neither the execution and delivery of this Agreement, nor the completion of the purchase and sale contemplated by this Agreement will:

- (a) violate any of the terms and provisions of the bylaws of the Vendor, or any order, decree, statute, by-law, regulation, covenant, or restriction applicable to the Vendor or any of the Assets;
- (b) give any person the right to terminate, cancel or remove any of the Assets, except to the extent that the consent of any third party is required to assign the Material Contracts; or
- (c) result in any fees, duties, taxes, assessments, or other amounts relating to any of the Assets becoming due or payable.

4.4 Assets

The Vendor owns and possesses and has a good marketable title to the Assets, free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, and other claims, except as described in the Schedule of Material Contracts attached hereto as Exhibit "B".

4.5 Material Change

From the date of this Agreement until the Closing Date, the Vendor warrants that there shall not be:

- (a) any material change in the its liabilities of the Vendor or the Assets, other than changes in the ordinary course of business, none of which has been materially adverse; or
- (b) any damage, destruction, loss, or other event (whether or not covered by insurance) materially and adversely affecting the Assets.

4.6 Litigation

There is no litigation or administrative or governmental proceeding or inquiry pending, or to the knowledge of the Vendor, threatened against or relating to the Vendor or any of the Assets, nor does the Vendor know of any reasonable basis for any such action, proceeding, or inquiry.

4.7 Conformity with Laws

All governmental licences and permits required for the uses to which the Assets have been put have been obtained and are in good standing and such conduct and uses are not in breach of any order, decree, statute, by-law, regulation, covenant, restriction, plan or permit, including those regulating the

discharge of materials into the environment and the storage, treatment, and disposal of waste or otherwise relating to the protection of the environment and the health and safety of persons. For greater certainty, the Assets have not been used in a manner which does or will give rise to any obligation of restoration or removal or any liability for the costs of restoration or removal or for the payment of damages to any third party. There are no underground storage tanks on the Lands, nor are there located on them any toxic chemicals, hazardous materials, waste or noxious or dangerous substances which are designated toxic or hazardous substances in applicable federal, provincial, or municipal laws, by-laws and regulations relating to environmental matters, including asbestos, polychlorinated biphenyls (PCBs), urea formaldehyde, radon gas or radioactive decay products of radon, whether or not they are so designated.

4.8 **Material Contracts**

The Schedule of Material Contracts attached hereto as Exhibit “B” contains a true and correct listing of each written or oral contract of the following types to be acquired or assumed by the Purchaser:

- (a) contracts or commitments relevant to the Project; and
- (b) contracts or commitments affecting ownership of, or title to, or any interest in the Lands.

4.9 **No Defaults**

Except as otherwise expressly disclosed in this Agreement or in any Schedule to this Agreement, there has not been any default in any obligation to be performed under any Material Contract, each of which is in good standing and in full force and effect, unamended, except as set forth in the Schedule of Material Contracts attached hereto as Exhibit “B”.

4.10 **Accuracy of Representations**

No certificate furnished by or on behalf of the Vendor to the Purchaser at the Time of Closing in respect of the representations, warranties, or covenants of the Vendor will contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained in the certificate not misleading.

4.11 **Canadian Resident**

The Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act*.

5. **COVENANTS OF THE VENDOR**

5.1 **Access by Purchaser**

The Vendor shall give to the Purchaser and Purchaser’s counsel, accountants, and other representatives, during normal business hours throughout the period prior to the Closing Date, upon advance written notice Vendor, full access to the Assets, and shall furnish to the Purchaser during that period all such information as the Purchaser may reasonably request.

5.2 Insurance

From the date of this Agreement until closing, the Vendor shall maintain in full force and effect all policies of insurance in respect of the Assets.

5.3 Procure Consents

The Vendor shall diligently take all reasonable steps required to obtain, before the Closing Date, all consents to the assignments of the Material Contracts and any other of the Assets for which a consent is required.

5.4 Covenant of Indemnity

The Vendor shall indemnify and hold harmless the Purchaser from and against:

- (a) any and all liabilities of the Vendor and in respect of the Lands, whether accrued, absolute, contingent, or otherwise, existing at the Time of Closing and which are not agreed to be assumed by the Purchaser under this Agreement;
- (b) any and all damage or deficiencies resulting from any misrepresentation, breach of warranty or non-fulfillment of any covenant on the part of the Vendor under this Agreement or from any misrepresentation in or omission from any certificate or other instrument furnished or to be furnished to the Purchaser under this Agreement; and
- (c) any and all claims, actions, suits, demands, proceedings, assessments, judgments, costs and legal and other expenses incident to any of the foregoing.

5.5 Vendor Deliveries

To the extent not already delivered to the Purchaser, the Vendor covenants to deliver to the Purchaser within ten (10) days after the parties have executed this Agreement, the following documents in the Vendor's possession:

- (a) true copies of any rezoning, development permit and building permit applications and supporting materials (including correspondence with the Township of Langley, plans, drawings, surveys, and reports) which are in the possession or control of the Vendor;
- (b) true copies of any studies, tests, audits, surveys, investigations, appraisals, reports (including environmental, geotechnical, engineering or building condition reports), plans, drawings, specifications, property tax assessments and other information concerning the Lands which are in the possession or control of the Vendor;
- (c) true copies of all service and maintenance contracts and obligations that will become the responsibility of the Purchaser from the Time of Closing;
- (d) true copies of the operating statements for the latest three years of the operation of the Lands and a year-to-date operating statement;
- (e) any work orders, fire and health inspection reports relating to the Lands;
- (f) copies of the existing encumbrances over the Lands;

- (g) any other documents, applications, correspondence, plans, drawings, surveys, reports or materials relating to, adding to, supplementing, updating or revising the aforementioned materials; and
 - (h) any other documents that the Purchaser reasonably requests
- (collectively, the “**Disclosure Materials**”).

In addition to delivery of the Disclosure Materials, the Vendor shall also:

- (l) execute, or cause to be executed, and return to the Purchaser or the Purchaser’s solicitors as soon as is reasonably possible all consents or letters of authority which it may be necessary for the Vendor to execute in order for the Purchaser to conduct such due diligence searches or cause inspections or tests to be made with respect to the purchase of the Lands as the Purchaser determines to be necessary;
- (k) authorize any consultants retained by the Vendor in respect of the development of the Lands (including architects, engineers, environmental consultants, building code consultants, surveyors, strata property managers, and contractors) to discuss the Lands and the development of the Lands with the Purchaser, as part of the Purchaser’s due diligence and review of the Disclosure Materials;

5.6 For further clarity, from and after the date that the Disclosure Materials are first provided by the Vendor to the Purchaser until the Closing Date (or the date when this Agreement is terminated, if any of the conditions precedent is not waived or declared fulfilled), the Vendor shall provide to the Purchaser any other documents, applications, correspondence, plans, drawings, surveys, reports or materials relating to, adding to, supplementing, updating or revising the Disclosure Materials originally provided to the Purchaser, so that the Purchaser will at all times prior to the Closing Date (or the date when this Agreement is terminated, if any of the conditions precedent is not waived or declared fulfilled), have from the Vendor complete, current, and accurate copies of the Disclosure Materials.

5.7 **Operations by the Vendor**

The Vendor will carry on the existing operations of the Lands and inform the Purchaser of any significant events relating to these operations accordingly. The Vendor shall not enter into any binding commitments for any portion of the Western Parcel or the Central Parcel, without the Purchaser's prior written approval. The Purchaser will provide its written approval (or written reasons for not providing such approval) within five (5) business days after the Vendor provides the Purchaser with the material terms of the proposed agreement, failing which, the Purchaser shall be deemed to have approved. The Purchaser shall assume all obligations for the operation of the Western Parcel and the Central Parcel from and after the Closing Date. The Vendor will carry out its operations in good faith and in the ordinary course of its business and will only consider commitments that are consistent with market conditions and that meet the criteria applicable to the Vendor's operations for the Western Parcel and the Central Parcel in effect prior to the execution of this Agreement.

6. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Vendor as follows, with the intent that the Vendor will rely on these representations and warranties in entering into this Agreement, and in concluding the purchase and sale contemplated by this Agreement.

6.1 Status of Purchaser

The Purchaser is a corporation duly incorporated, validly existing, and in good standing under the laws of the Province of British Columbia, has the power and capacity to enter into this Agreement and carry out its terms and, at the Time of Closing, will be duly registered as a company under the British Columbia *Business Corporations Act*.

6.2 Authority to Purchase

The execution and delivery of this Agreement and the completion of the transaction contemplated by this Agreement have been duly and validly authorized by all necessary corporate action on the part of the Purchaser, and this Agreement constitutes a legal, valid, and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms except as limited by laws of general application affecting the rights of creditors.

7. COVENANTS OF THE PURCHASER

7.1 Taxes

The Purchaser will be liable for and shall pay all federal and provincial sales taxes and registration charges and transfer fees properly payable upon and in connection with the sale and transfer of the Assets by the Vendor to the Purchaser.

7.2 Consents

The Purchaser shall, at the request of the Vendor, execute and deliver such applications for consent and such assumption agreements, and provide such information as may be necessary to obtain the consents referred to in Section 5.3, and will assist and co-operate with the Vendor in obtaining the consents.

7.3 Donation

Provided the transactions contemplated by this Agreement complete in accordance with the terms and subject to the conditions hereof, the Purchaser covenants, as a post-closing covenant of the Purchaser, to donate to the Vendor the sum of FIVE HUNDRED THOUSAND (\$500,000.00) DOLLARS (the “**Donation**”), which shall be advanced by the Purchaser to the Vendor in annual installments over a period of ten (10) years following the Closing Date or within 30 days after a profitable disposition of the Project. Notwithstanding the foregoing obligation of the Purchaser in respect of the Donation, the Purchaser hereby reserves the right, without notice to or consent of the Vendor, to fulfil its obligation in respect of the Donation through an Affiliate or Related Party. For further clarity, in the event that the transactions contemplated by this Agreement do not, for any reason, complete in accordance with the terms hereof, the Purchaser and any Affiliate or Related Party shall have no obligation to pay the Donation to the Vendor. For the purposes of this Agreement, the term “**Affiliate**” shall have the

meaning ascribed to it in Section 1 of the *Business Corporations Act* (British Columbia), and the term “**Related Party**” shall mean any shareholder, officer, or director of the Purchaser; any corporation, partnership, trust, or other entity controlling, controlled by, or under common control with the Purchaser or a shareholder, officer, or director, of the Purchaser; or any officer, director, trustee, or employee of any corporation, partnership, trust, or other entity controlling, controlled by, or under common control with the Purchaser or a shareholder, officer, or director of the Purchaser.

8. **SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS**

8.1 **Vendor’s Representations, Warranties and Covenants**

All statements contained in any certificate or other instrument delivered by or on behalf of the Vendor under this Agreement or in connection with the transaction contemplated by this Agreement shall be deemed to be representations and warranties by the Vendor. All representations, warranties, covenants and agreements made by the Vendor in this Agreement or under this Agreement shall, unless otherwise expressly stated, survive the Closing Date and any investigation at any time made by or on behalf of the Purchaser, and shall continue in full force and effect for the benefit of the Purchaser.

8.2 **Purchaser’s Representations, Warranties and Covenants**

All representations, warranties, covenants, and agreements made by the Purchaser in this Agreement or under this Agreement shall, unless otherwise expressly stated, survive the Closing Date and any investigation at any time made by or on behalf of the Vendor, and shall continue in full force and effect for the benefit of the Vendor.

9. **CONDITIONS PRECEDENT TO THE OBLIGATIONS OF THE PURCHASER**

All obligations of the Purchaser under this Agreement are subject to the fulfillment at or before the Closing Date of the following conditions:

9.1 **Vendor’s Representations and Warranties**

The Vendor’s representations and warranties contained in this Agreement and in any certificate or document delivered under this Agreement or in connection with the transactions contemplated by this Agreement will be true at and as the Closing Date as if such representations and warranties were made at and as of such time.

9.2 **Vendor’s Covenants**

On or before the Closing Date, or as otherwise indicated, the Vendor shall:

- (a) have performed and complied with all agreements, covenants, and conditions required by this Agreement to be performed or complied with by it before or at the Time of Closing;
- (b) have subdivided the Western Parcel and the Central Parcel from the Lands;

- (c) have obtained a re-zoning of the Lands to conform with the Mountainview Alliance Church Redevelopment Project proposal dated April 18, 2022 (the “**Project Proposal**”);
- (d) have obtained a development permit in respect of the Project;
- (e) have obtained a building permit in respect of the Project;
- (f) within thirty (30) days of the execution of this Agreement by all parties hereto, have entered into a development management contract with the Developer (the “**Development Management Contract**”) to manage the development and construction of the Eastern Parcel on substantially the same terms as set out in the Project Proposal;
- (g) within thirty (30) days of the execution of this Agreement by all parties hereto, have entered into a design-build construction contract with Maple Reinders Constructors Ltd. to construct a new church and related facilities on the Eastern Parcel on substantially the same terms as set out in the Project Proposal (the “**Construction Contract**”).

9.3 Vendor’s Certificate

The Vendor will have delivered to the Purchaser a certificate of the Vendor, executed by its President, dated the Time of Closing, certifying in such detail as the Purchaser may specify to the fulfillment of the conditions set forth in Sections 9.1 and 9.2.

9.4 Opinion of Vendor’s Counsel

The Purchaser shall have received from the Vendor’s counsel an opinion dated the Time of Closing that the Vendor is a society duly incorporated and, validly existing under the law of British Columbia, is in good standing under the British Columbia *Business Corporations Act* with respect to the filing of annual reports, and has the power and capacity to own and dispose of the Assets and to enter into this Agreement and carry out its terms to the fullest extent, and that the execution and delivery of this Agreement and the completion of the transaction contemplated by this Agreement have been duly and validly authorized by all necessary corporate action on the part of the Vendor, and that this Agreement constitutes a legal, valid, and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms except as may be limited by laws of general application affecting the rights of creditors.

9.5 Consents

The Purchaser will have received duly executed copies of the consents or approvals referred to in Section 5.3.

The foregoing conditions are for the exclusive benefit of the Purchaser and any such condition may be waived in whole or in part by the Purchaser at or before the Closing Date by delivering to the Vendor a written waiver to that effect signed by the Purchaser.

10. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF THE VENDOR

All obligations of the Vendor under this Agreement are subject to the fulfillment, before or at the Time of Closing, of the following conditions:

10.1 Purchaser's Representations and Warranties

The Purchaser's representations and warranties contained in this Agreement will be true at and as of the Closing Date as though such representations and warranties were made as of such time.

10.2 Purchaser's Covenants

The Purchaser will have performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it at or before the Time of Closing.

10.3 Consents of Third Parties

All consents or approvals required to be obtained by the Vendor for the purpose of selling, assigning, or transferring the Assets will have been obtained, provided that this condition may only be relied upon by the Vendor if the Vendor has diligently exercised its best efforts to procure all such consents or approvals and the Purchaser has not waived the need for all such consents or approvals.

Each of the foregoing conditions is for the exclusive benefit of the Vendor and any such condition may be waived in whole or part by the Vendor at or before the Closing Date by delivering to the Purchaser a written waiver to that effect signed by the Vendor.

11. CLOSING

11.1 Time of Closing

Subject to the terms and conditions of this Agreement, the purchase and sale of the Assets will be completed at 11:00 a.m., local time in Vancouver, on the Closing Date (the "**Time of Closing**").

11.2 Place of Closing

The closing will take place at the offices of the Purchaser's solicitors, PLLR Lawyers, in Richmond, British Columbia.

11.3 Documents to be Delivered by the Vendor

Prior to the Time of Closing, the Vendor shall deliver or cause to be delivered to the Purchaser:

- (a) all deeds of conveyance, bills of sale, transfer and assignments, in form and content satisfactory to the Purchaser's counsel, appropriate to effectively vest a good and marketable title to the Assets in the Purchaser to the extent contemplated by this Agreement, and immediately registrable in all places where registration of such instruments is required;
- (b) all consents or approvals obtained by the Vendor for the purpose of validly assigning the Material Contracts;

- (c) possession of the Assets;
- (d) the certificate of the Vendor to be given under Section 9.3;
- (e) a certificate of the Vendor as to its residency in respect of the *Income Tax Act* of Canada;
- (f) duly executed releases of, or evidence to the reasonable satisfaction of the Purchaser as to the discharge of any and all liabilities which the Purchaser has not agreed to assume and which may be enforceable against any of the Assets being purchased under this Agreement;
- (g) certified copies of those resolutions of the shareholders and directors of the Vendor required to be passed to authorize the execution, delivery, and implementation of this Agreement and of all documents to be delivered by the Vendor under this Agreement; and
- (h) the Development Management Contract duly executed by the Vendor;
- (i) the Construction Contract duly executed by the Vendor and Maple Reinders Constructors Ltd.; and
- (j) the opinion of the Vendor's counsel as set out in Section 9.4.

11.4 Documents to be Delivered by the Purchaser

Prior to the Time of Closing, the Purchaser will deliver or cause to be delivered:

- (a) a certificate as to its status as registrant for remittance of Goods and Services Tax under the *Income Tax Act* of Canada; and
- (b) a certified cheque or banker's draft payable to the Vendor for that portion of the Purchase Price payable in cash.

12. RISK OF LOSS

From the date of this Agreement to closing, the Assets will be and remain at the risk of the Vendor. If any of the Assets are lost, damaged, or destroyed before the Time of Closing, the Purchaser may, in lieu of terminating this Agreement hereunder, elect, by notice in writing to the Vendor, to complete the purchase to the extent possible without reduction of the Purchase Price, in which event, all proceeds of any insurance or compensation in respect of such loss, damage, or destruction will be payable to the Purchaser, and all right and claim of the Vendor to any such amounts not paid by the Time of Closing will be assigned to the Purchaser.

13. FURTHER ASSURANCES

The parties will execute such further and other documents and do such further and other things as may be necessary to carry out and give effect to the intent of this Agreement.

14. SET-OFF

If, under this Agreement or any document delivered under this Agreement, the Vendor becomes obligated to pay any sum of money to the Purchaser, then such sum may at the election of the Purchaser, and without limiting or waiving any right or remedy for the Purchaser under this Agreement, be set off against and will apply to any sum of money or security owed by the Purchaser to the Vendor until such amount has been completely set off.

15. NOTICE

All notices required or permitted to be given under this Agreement will be in writing and personally delivered to the address of the intended recipient set forth on the first page of this Agreement or at such other address as may from time to time be notified by any of the parties in the manner provided in this Agreement.

16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and there are no representations or warranties, express or implied, statutory, or otherwise and no collateral agreements other than as expressly set forth or referred to in this Agreement.

16.1 Amendment

No amendment of this Agreement will be binding unless made in writing by all the parties to this Agreement.

17. ASSIGNMENT

This Agreement may not be assigned by any party without the prior written consent of the other party, which consent may not be unreasonably withheld.

18. TIME OF THE ESSENCE

Time will be of the essence of this Agreement.

19. APPLICABLE LAW

This Agreement will be governed by and interpreted in accordance with the laws of the Province of British Columbia.

20. SUCCESSORS AND ASSIGNS

This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

21. **HEADINGS**

The headings appearing in this Agreement are inserted for convenience of reference only and will not affect the interpretation of this Agreement.

22. **COUNTERPART**

This Agreement may be executed in any number of counterparts and delivered by electronic means, and each such counterpart, when executed and delivered, shall be deemed to be an original, and all of which, together, shall constitute one and the same instrument.

AS EVIDENCE OF THEIR AGREEMENT the parties have executed this Agreement as of the day and year first above written.

CHRISTIAN AND MISSIONARY ALLIANCE – CANADIAN PACIFIC DISTRICT

Per: _____ C/S
Authorized Signatory



Per: _____ C/S
Authorized Signatory

FOREFRONT COMMUNITIES LTD.

Per: _____ C/S
Authorized Signatory

EXHIBIT "A"

Sketch Plan

DRAFT

EXHIBIT "B"

Schedule of Material Contracts

DRAFT