

INTRACORP
DEVELOPMENTS LTD.

February 18, 2003

HIGHWAY MAINTENANCE
AGREEMENT

Hand Delivered

COMMUNITY LANDS COMMITTEE
c/o Ardent Properties Inc.
107 - 335 Wesley Street
Nanaimo, BC, V9R 2T5

Attention: Rob Kelly, Property Manager

RE: CRAIG BAY: HIGHWAY MAINTENANCE AGREEMENT

In response to the CLC meeting held on January 30th 2003, attached please find a summary of questions and answers with respect to the Highway Maintenance Agreement. Please let me know if you have any questions.

Yours truly,

INTRACORP DEVELOPMENTS LTD.
On Behalf of Craig Bay Estates Partnership



Jodie Dorrington, BCOMM
Project Manager, Residential

Enclosures



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INTRACORP
PLACES TO CALL HOME

Memorandum

JLO
TO: File
FROM: Jodie Dorrington
DATE: February 17, 2003
RE: CRAIG BAY: CLC – HIGHWAY MAINTENANCE AGREEMENT ANALYSIS

On February 20th 1995, the Highway Maintenance Agreement (the "HMA") was issued between the City of Parksville and Craig Bay Estates Ltd. Shorehaven, Arbutus Grove, Meadow Beach, and A Seaside Village each have an Assumption Agreement and Certificate of Resolution to assume the owner's obligations of the Agreement.

What is comprised of the 'works' that needs to be maintained?

The "works" means the special improvements over and above normal City standards including bridge, bridge lights, railings, paving stones, street trees and brass letter (Section 1 of HMA).

What type of maintenance is required?

WITHOUT LIMITATION: cleaning, sweeping, tree preservation and replacement, and paving stone repair and replacement (Section 2 of HMA).

Who is responsible for coordinating the maintenance and payments thereof:

Section 3.3(f) of the Building Scheme states that:

- "The Community Lands Committee will be exclusively responsible for all matters relating to the management, operation, control, maintenance and administration of the Community Lands as a whole including, without limitation, the following matters:
- (f) co-ordinating compliance with the Highway Maintenance Agreement by the strata corporations for the Lots which have been stratified."

Who owns the 'works'?

The works are the property of the City of Parksville (Section 5 of HMA).

Who owns the lands, of which the works are on?

Langara Place is a dedicated highway and owned by the City of Parksville/Crown

How does the maintenance costs get allocated?

- Costs are allocated pro-rata based on the number of dwelling units that exist on each parcel (Section 5 of HMA).
- The strata corporation assumes the owner's obligations effective from the date each strata plan is deposited in the Land Title Office (Section 1 of the Assumption Agreement).