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TERMS OF INSTRUMENT — PART 2
SECTION 219 COVENANT

This Agreement is dated for reference May 15, 2005 is

BETWEEN:

TOWN OF GIBSONS, a municipal corporation pursuant to the *Community Charter*, and having a mailing address at Box 340, Gibsons, BC VON WO

(the "Grantee")

AND:

TOWN OF GIBSONS, a municipal corporation pursuant to the *Community Charter*, and having a mailing address at Box 340, Gibsons, BC VON IVO

(the "Grantor")

GIVEN THAT:

A. The Town is the registered owner of lands in the Town of Gibsons, legally described in Item 2 of Part 1 of the *Land Title Act* Form C to which this Agreement is attached and which forms part of this Agreement (the "Lands");

B. Thor Christenson sold the Lands the Town on the condition that the Lands be used only for specific purposes, which condition was registered against title to the Burdened Property in the Vancouver Land Title Office as Right of Entry BG51889;

C. Dorothy Louise Carroll, executor of the Will of James Dennis Carroll, executor by chain of executors of Thor Christenson, has agreed to release Right of Entry B051889 in exchange for the Grantor registering this Section 219 Covenant over the Lands, to which the Grantor has agreed;

NOW THEREFORE THIS AGREEMENT is evidence that in consideration of payment of \$10.00 by the Grantee to the Grantor and other good and valuation consideration, the receipt of which is acknowledged by the Grantor, the Grantor covenants and agrees with the Grantee in accordance with s.219 of the *Land Title Act* as follows:

1. Land Use Restriction - The Grantor covenants and agrees with the Grantee that the Grantor must only use the Lands for public park, public playground, community centre, public school, police station, library, community health facilities, not-for profit housing for seniors with a minimum of ten (10%) percent of the land to be dedicated for public park, or public road.

2. Runs with the Lands - Every obligation and covenant of the Grantor in this Agreement constitutes both a contractual obligation and a covenant granted under s. 219 of the *Land Title Act* in respect of the Lands and this Agreement burdens the Lands and runs with them and binds the successors in title to the Lands. This Agreement burdens and charges all of the Lands and any parcel into which they are subdivided by any means and any parcel into which

the Lands are consolidated. The Grantor is only liable for breaches of this Agreement that occur while the Grantor is the registered owner of the Lands.

3. Further Assurances - The Grantor and the Grantee must do and cause to be done all things and execute all documents necessary to give effect to the intention of this covenant.

4. Specific Relief - Because of the public interest in ensuring that all of the matters described in this Agreement are complied with, the public interest strongly favours the award of a prohibitory or mandatory injunction, or an order for specific performance or other specific relief, by the Supreme Court of British Columbia at the instance of the Grantee, in the event of an actual or threatened breach of this agreement.

5. Powers preserved - Nothing contained or implied herein shall prejudice or affect the Grantee's rights and powers in the exercise of its functions pursuant to the *Community Charter* or the *Local Government Act*, or its rights and powers under all of its public and private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the Lands as if this covenant has not been executed and delivered by the Grantee. Nothing in this covenant shall relieve the Grantee from complying with any law, statute, bylaw or other enactment.

6. Severance - If any part of this covenant is for any reason held to be invalid by a decision of a court with the jurisdiction to do so, the invalid portion is to be considered severed from the rest of this covenant and the decision that it is invalid does not affect the validity of the remainder of this covenant.

7. Governing Law - This covenant shall be governed by and construed in accordance with the laws of the Province of British Columbia.

8. Enurement - This covenant shall enure to the benefit of and be binding upon the Grantor and the Grantee and their respective successors and assigns.

9. Interpretation - The captions and headings in this covenant are for convenience only and are not to be used as aids to interpretation. The expressions "Grantee" and "Grantor" 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.

As evidence of their agreement to be bound by the terms of this instrument, 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.

END OF DOCUMENT