



To: ACRD Board of Directors

Meeting Date: February 25, 2026

From: Alex Dyer, GM of Planning & Development

Voting Structure: Electoral Area Directors

Electoral Area: D - Sproat Lake

Subject: Covenant Amendment MISC25003 - 10412 LAKESHORE RD (1257819 BC LTD)

---

**Recommendation:**

***THAT the Alberni-Clayoquot Regional District Board of Directors direct a public meeting to be held to gather input on the amendment of Restrictive Covenants FB194074 and FB194076 to allow for the proposed development of up to eleven (11) dwelling units, each with a maximum floor area of 2,000 square feet, on the property located at 10412 Lakeshore Road.***

***THAT the public meeting be delegated to the Director for Electoral Area 'D', the Alternate Director, or the Chairperson of the Regional District.***

---

**Development Proposal:** The applicants intend to amend Restrictive Covenants FB194074 and FB194076 registered to the vacant property located at 10412 Lakeshore Road. The covenants, registered in 2008 as a condition of rezoning, limit the density to a maximum of ten (10) dwelling units, each with a maximum floor area of 1,200 square feet, limit the subdivision of the property into ten (10) lots, and require a 3-metre-wide vegetative leave strip along the property boundaries.

The applicants have applied to amend the covenants to allow for:

- i. an increase in the number of dwellings from ten (10) to eleven (11) units located on the portion of the property north of Lakeshore Road;
- ii. an increase in the maximum floor area of each dwelling unit from 1,200 square feet to 2,000 square feet, excluding garage and carport areas;
- iii. the subdivision of the property to a maximum of eleven (11) strata lots;
- iv. an increase from one to two 20-metre-wide road accesses along Aldan Road through the vegetative leave strip; and
- v. an adjustment of the covenant boundary to align with the existing C6 and MAR2 zoning boundaries.

The applicants intend to develop four (4) duplexes and three (3) single family dwellings, each with individual strata titles, on the 0.85 ha property. Conceptual building designs and standards are included in the applicant's submission. The property is zoned Tourist Commercial (C6) District which permits the units to be used as dwellings or as short-term vacation rental units.

**Advisory Planning Commission Recommendation:** The Sproat Lake APC reviewed this application at their February 17, 2026 meeting. The APC passed a motion to recommend that the Board proceed with the public meeting to gather input on the covenant amendment.

PL20250079 / MISC25003

Alberni-Clayoquot Regional District | 3008 Fifth Avenue, Port Alberni, BC V9Y 2E3 | 250.720.2700 | [www.acrd.bc.ca](http://www.acrd.bc.ca)

*Serving Port Alberni, Tofino, Ucluelet, Treaty First Nations: Huu-ay-aht, Yuułu?it̓ath, Uchucklesaht Tribe Government, and Toquaht Nation, and Six Electoral Areas: "A" (Bamfield), "B" (Beaufort), "C" (Long Beach), "D" (Sproat Lake), "E" (Beaver Creek) and "F" (Cherry Creek).*

**Property Owner(s):** 1257819 BC LTD     **Agent/Primary Contact:** RACHEL HAMLING, PRISM LAND SURVEYING

**Property Information:**

Civic Address:	10412 LAKESHORE RD				
Legal Description:	LOT A DISTRICT LOT 204 ALBERNI DISTRICT PLAN VIP85387				
PID:	027-581-039	Folio:	770-02030.005	ALR? (Y/N):	No     Lot Area (ha): 0.85 (2.10 ac)
Current Zoning:	C6 - Tourist Commercial District	Proposed Zoning:	n/a		
Current OCP:	Sproat Lake, Commercial Use	Proposed OCP:	n/a		
Development Permit Area(s):	DPA I – Foreshore and Riparian Areas Protection. DPA III – Objectives for Form and Character				
Current Use & Description:	<p>The property is located approximately 600 metres east of the western intersection of Lakeshore Road and the Pacific Rim Highway. The property is split by Lakeshore Road. The northern portion of the property, comprising +/- 0.65 ha, is vacant with a gravel parking lot developed adjacent to the road. This portion of the property is cleared and increases in slope from south to north, away from the lake. The southern portion of the property, comprising +/- 0.2 ha, is developed into a two-tier graveled parking area to support the marina on the foreshore.</p> <p>Historic uses on the site included a general store and house located on this portion of the property with the buildings demolished in 2008. There is a commercial marina operated from the lakefront portion of the property which includes three tiers of docks with +/- 60 boat slips. A boat fuel facility is located on the docks connected to an upland fuel storage tank installed adjacent to the parking area.</p>				
Surrounding Zoning and Land Use					
North:	R1 District. Ten-lot bare land strata development	South:	Commercial marina on Sproat Lake		
East:	Tall Timbers Campground and Sproat Lake Mobile Home Park	West:	RA1 District. Acreage residential properties		

**Services:**

- a) **Sewage Disposal:** On-site sewage disposal. The applicants engaged B4 Engineering Inc. and they have confirmed that an 11-unit sewage disposal system can be designed and located in the northwest corner of the property to comply with the BC Sewerage System Regulation and Standard Practice Manual.
- b) **Water Supply:** Private water system with intake to the lake. An existing water system services the ten-lot bare land strata to the north and the system was designed to scale up to 21 dwelling units, which would service the proposed new development in addition to the existing development.
- c) **Fire Protection:** Sproat Lake Fire Department. As part of the agency referral process completed ahead of the public meeting, the SLFD would have an opportunity to review and comment on the proposed development.

- d) **Access:** Cleared and graveled access is provided along the full width of the property on both the north and south sides of Lakeshore Road. Aldan Road bisects the east boundary of the property. The development proposal includes two separate 6.4 metre wide paved shared access driveways from Aldan Road that would provide access to the dwelling units. The Ministry of Transportation and Transit has provided an indication that the two separate accesses to Aldan Road can be approved under the Ministry’s regulations for residential uses.

**Planning Policy Discussion:**

- a) **Official Community Plan:** The Sproat Lake OCP designates the property as Commercial Use and the adjacent waterfront area as Marina Use. The Commercial Use designation supports a wide range of commercial uses including local, highway, service, recreation and campground commercial uses as specified by the Zoning Bylaw. This designation also supports short term vacation rental accommodation.

The Sproat Lake OCP designates two Development Permit Areas that impact development on the subject property: DPA I – Foreshore and Riparian Areas Protection and DPA III – Objectives for Form and Character. DPA I applies to all development within 30 metres of the natural boundary of the lake and DPA III applies to the form and character of multi-family residential, commercial, and industrial development. No development is planned within 30 metres of the lake. A development permit application may be required to satisfy the form and character requirements of DPA III prior to the issuance of a building permit.

- b) **Zoning:** The property is split-zoned Tourist Commercial (C6) District and Marina Two (MAR2) District. The C6 District covers the majority of the property and permits motels and motor hotels, accessory buildings and uses and one single family dwelling per lot. The MAR2 District encompasses the upland area used for marina parking and the marine fuel tank infrastructure.

	Current: C6
Minimum Lot Area (ha)	0.14
Minimum Lot Width (m)	36.6
Principal & Accessory Front Yard Setback (m)	6.1
Principal Side Yard Setback (m)	4.6
Principal Rear Yard Setback (m)	6.1
Accessory Side Yard Setback (m)	0.9
Accessory Rear Yard Setback (m)	0.9
Lake Setback (m) – from Covenant FB194076	12.2

The applicants intend to construct up to eleven (11) dwelling units divided between four duplexes and three single family dwellings spread throughout the property. The intention is for each unit to be individually strata-titled by building strata subdivision. Two separate access roads into the development and individual parking areas would be provided. The on-site sewage disposal system would be sited on the northwest corner of the property. The parking regulations in the ACRD Zoning Bylaw require the provision of 1.1 off-street parking spaces per motel/hotel dwelling unit. The conceptual site layout includes capacity for off-street parking and, as part of any future development permit and building permits, the applicants would need to provide up to 13 parking spaces for the full 11-unit build out.

All of the units would be located outside of the designated 200-year flood area mapped within the Somass Watershed Flood Management Plan. The applicants engaged Ryzuk Geotechnical to assess the development and confirm that the development sites may be used safely for the use intended.

- c) **Covenants:** Restrictive Covenant FB194076 was registered to the property in 2008 as a condition of rezoning. The covenant, registered in favour of the ACRD, limits the development of the property into one hotel/motel with a maximum of ten (10) sleeping units, or a maximum of ten (10) dwelling units, and restricts the useable floor area of each sleeping/dwelling unit to 1,200 square feet of living area excluding any garage or carport. The covenant also requires that the property not be subdivided into more than 10 lots and that any building must be located a minimum 40 feet from Sproat Lake. Restrictive Covenant FB194074 was registered at the same time to require a 3-metre-deep vegetated leave strip along the west and east property boundaries. The covenant allows for one 20-metre-wide access road from Lakeshore Road and Aldan Road.

A covenant is a private agreement between two parties, in this case the ACRD and the property owner. The process in which the Regional District follows to amend or discharge a covenant registered in favour of the ACRD is to hold a public meeting to allow for public input prior to the Board considering any changes to the covenant. The public meeting is not a public hearing but would follow similar procedures as a formal hearing including neighbour notification, advertising and conduct of the meeting.

In order to facilitate the proposed development, the applicants have applied to amend the covenants to:

- i. Allow an increase in the number of dwellings from ten (10) to eleven (11) dwelling units. The covenant would restrict the location of all dwelling units to the upland portion of the property north of Lakeshore Road.
- ii. Allow for an increase in the maximum floor area of each dwelling unit from 1,200 ft<sup>2</sup> to 2,000 ft<sup>2</sup>, excluding garage and carport areas. The total gross floor area of the permitted development on the property would increase from 12,000 ft<sup>2</sup> to 22,000 ft<sup>2</sup>.
- iii. Allow for the subdivision of the property to a maximum of eleven (11) strata lots. The covenant currently restricts the number of lots to ten (10).
- iv. Permit two 20-metre-wide road accesses from Aldan Road, north of Lakeshore Road, through the vegetative leave strip. The covenant currently restricts the development to only one access from Aldan and one from the south side on Lakeshore.
- v. Align the covenant boundary with the existing C6 and MAR2 zoning boundary. There was a discrepancy in the surveyed covenant boundary when the property was rezoned in 2008 and the adjustment would ensure that the covenant area would match the C6-zoned area, which was the original intent of the covenant.

**Comments:** The C6 zoning would allow for the 11 dwelling units to be individually strata-titled and used as any combination of permanent residences, seasonal residences, and short-term vacation rental units. The applicants have not proposed any development south of Lakeshore Road on the 0.2 ha portion of property adjacent to the lake and all construction would meet flood construction level requirements established by the Geotechnical Engineer.

It is recommended that a public meeting be held to gather public input on the proposed amendments of Restrictive Covenants FB194074 and FB194076. The notification process for the public meeting would include a neighbourhood mailout and public advertising process that would be similar to a public hearing for an OCP amendment. The report and minutes from the public meeting would be provided for the Board to consider prior to making a final decision on the covenant amendments.

Planning staff recognize a need for a diversity of housing types at Sproat Lake, including attached duplex dwellings and strata-titled dwellings with common services, and are supportive of the Board proceeding with the public input process. The proposed development would allow an opportunity to provide flexibility for a diversity

of seasonal or permanent attached housing types while also providing the opportunity to short-term rental accommodation within an area zoned for tourist commercial uses.

Submitted by: Alex Dyer  
Alex Dyer, MCIP, RPP, General Manager of Planning & Development

Reviewed by: Cynthia Dick  
Cynthia Dick, General Manager of Administrative Services

Approved by: Daniel Sailland  
Daniel Sailland, MBA, Chief Administrative Officer



SITE PLAN OF LOT A, DISTRICT LOT 204, ALBERNI DISTRICT, PLAN VIP85387.

SHOWING PROPOSED BUILDING LAYOUT CONCEPT THEREON

SCALE 1:400



THE INTENDED PLOT SIZE IS 560mm IN WIDTH AND 865mm IN HEIGHT (D SIZE) WHEN PLOTTED AT A SCALE OF 1:400.

**NOTES:**

THIS PLAN IS NOT TO BE USED TO RE-ESTABLISH PROPERTY LINES. ALL DISTANCES ARE IN METRES AND DECIMALS THEREOF AND ARE DERIVED FROM LTO RECORDS.

ELEVATIONS ARE GEODETIC IN METRES, REFERENCED TO CGVD2013 DATUM, DERIVED FROM DIFFERENTIAL DUAL FREQUENCY GNSS OBSERVATIONS POST-PROCESSED USING NATURAL RESOURCE CANADA'S PRECISE POINT POSITIONING (PPP) SERVICE.

CONTOUR INTERVAL: 0.2 METRES.

FLOOD CONSTRUCTION LEVEL ASSESSMENT FROM RYZYK GEOTECHNICAL CONSULTANTS: ASSESSED FLOOD CONSTRUCTION LEVEL = 35.13m FILE NO. 12181-1 (DATE: 2024/09/10)

JURISDICTION: ALBERNI-CLAYOQUIT REGIONAL DISTRICT

PARCEL ZONING: TOURIST COMMERCIAL DISTRICT (OC) / MARINA TWO DISTRICT (MAR2)

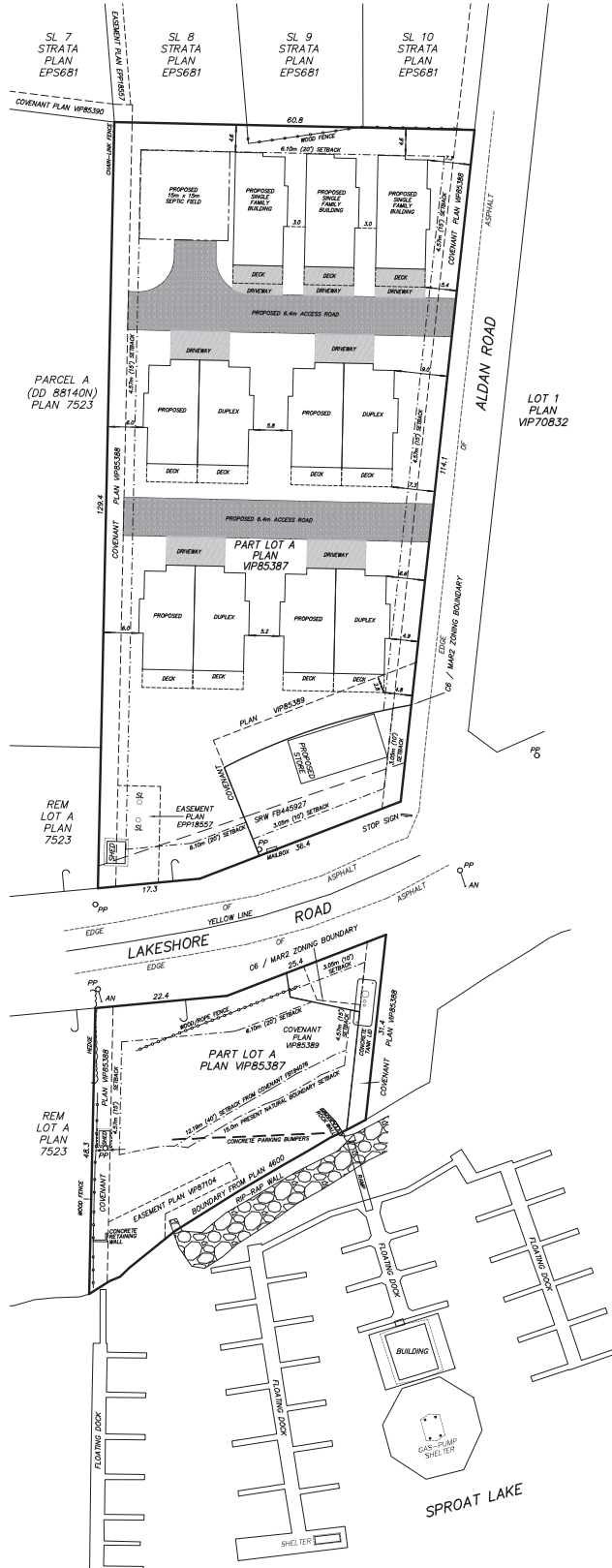
PID NO: 027-581-039

THIS LOT IS SUBJECT TO LTO CHARGE NUMBERS: MTR530, SF194074, FB194076, FB445927, FB445928, FB445927, FB446468, CA2585222 AND CA2585245.

CIVIC ADDRESS: 10412 LAKESHORE ROAD, PORT ALBERNI, BC

**LEGEND:**

- DENOTES SETBACK LINE
- DENOTES ROOF OVERHANG
- PP ○ DENOTES POWER POLE
- SL ○ DENOTES SEPTIC LID
- AN ○ DENOTES HYDRO ANCHOR
- CSP --- DENOTES CORRUGATED STEEL PIPE
- BD --- DENOTES BASE OF DITCH



















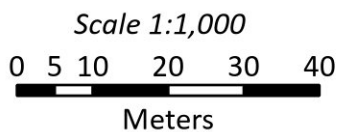
*This product is intended for general reference use only and should not be used for navigation or legal purposes. Imagery offsets may exist. Satellite imagery may be offset by several meters.*

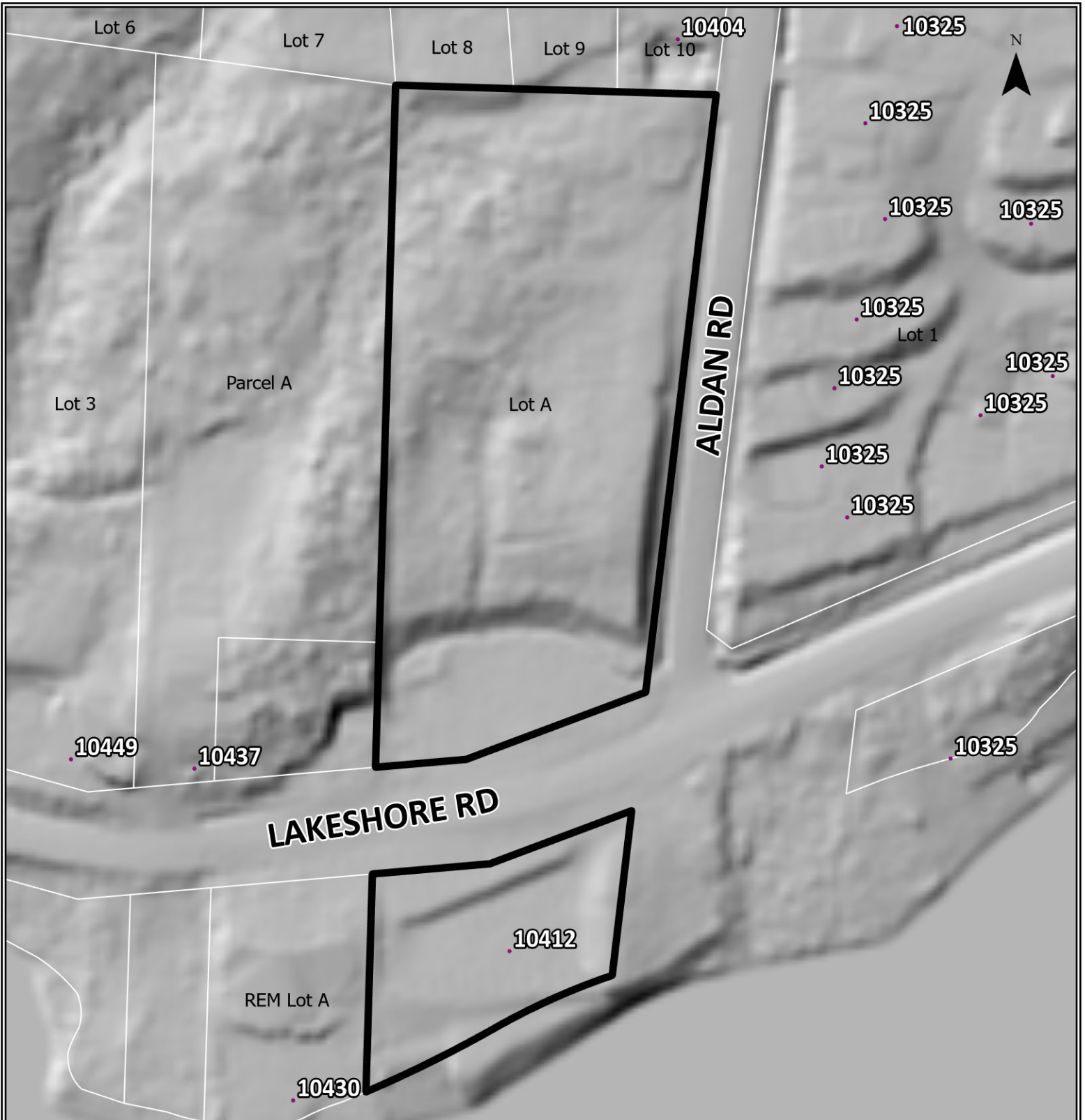
 Subject Property



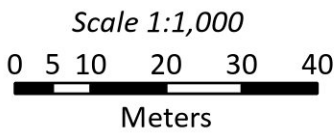
**ALBERNI-CLAYOQUOT  
REGIONAL DISTRICT**

Prepared 2025-11-18  
Sources: Microsoft, VantorProv. BC,  
ParcelMapBC; ACRD





*This product is intended for general reference use only and should not be used for navigation or legal purposes. Imagery offsets may exist. Satellite imagery may be offset by several meters.*



 Subject Property



**ALBERNI-CLAYOQUOT  
REGIONAL DISTRICT**

Prepared 2025-11-18  
Sources: Prov. BC, ParcelMapBC; ACRD

QUICK CONVEY Software

FB194075

LAND TITLE ACT (Section 233)  
Province of British Columbia

18 JUL 2008 14 05

FB194074

**FORM C  
GENERAL INSTRUMENT - PART 1**

Page 1 of 8

1. APPLICATION: Client No: #10977 File No: 31295  
Dorothy Clarkstone  
Notary Public  
3151 - 3rd Avenue  
Port Alberni, BC V9Y 4C7  
Tel: 250-723-9747

*Deanne Ruel*  
Signature of Applicant's Agent

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:  
(PID) (Legal Description)  
000-100-722 LOT A, DISTRICT LOT 204, ALBERNI DISTRICT,  
PLAN VIP 85387

3. NATURE OF INTEREST: <u>Description:</u> SECTION 219 COVENANT & PRIORITY AGREEMENT	Document Reference: (page & paragraph) ENTIRE DOCUMENT EXCEPT PRIORITY AGREEMENT PG 7, PARAGRAPH 16 & 17	Person Entitled to <u>Interest:</u> TRANSFeree	AC 08/07/18 14:07:07 01 VI CHARGE	B11370 \$132.30
---	---	--	--------------------------------------	--------------------

2c

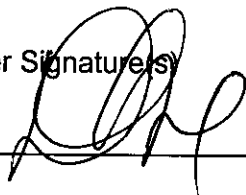
4. TERMS: Part 2 of this instrument consists of (select one only)  
(a) Filed Standard Charge Terms  D.F. Number: \_\_\_\_\_  
(b) Express Charge Terms  Annexed as Part 2  
(c) Release  There is no Part 2 of this instrument  
A selection of (a) includes any additional or modified terms referred to in 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): 655,570 B.C. LTD. (Inc. no. 655,570) and COASTAL COMMUNITY CREDIT UNION and ALL ISLAND EQUITY MORTGAGE INVESTMENT CORP (Inc. No. 0537559)

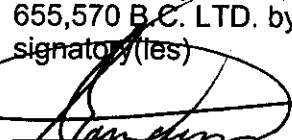
6. TRANSFeree(S): (including postal address and postal code) ALBERNI-CLAYOQUOT REGIONAL DISTRICT, 3008 - 5<sup>th</sup> Avenue, PORT ALBERNI, B.C., V9Y 2E3

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 items, if any.

Officer Signature(s)  
  
DOROTHY CLARKSTONE  
Notary Public  
3151 3RD AVENUE  
PORT ALBERNI, B.C. V9Y 4C7  
(250) 723-9747

Execution Date		
Y	M	D
2008	07	15

Party(ies) Signature(s):  
655,570 B.C. LTD. by its authorized signatory(ies)  
  
GARY CASAVANT

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.

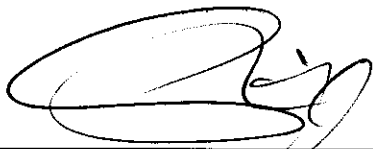
LAND TITLE ACT

FORM D  
EXECUTIONS CONTINUED

Officer Signature(s)

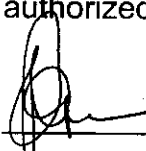
Execution Date

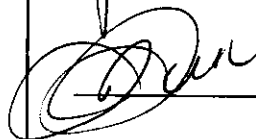
Transferor/Borrower/Party  
Signature(s):

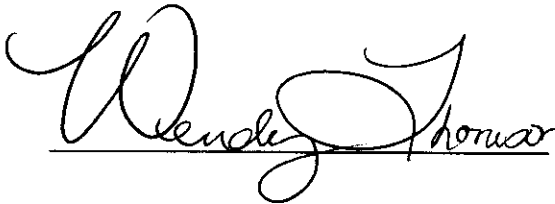


Y	M	D
2008	07 <del>08</del>	11

**CHARLES G. RADCLIFFE**  
Barrister & Solicitor  
P.O. BOX 778  
NANAIMO, B.C.  
V9R 5M2

COASTAL COMMUNITY  
CREDIT UNION by its  
authorized signatories:  
  
Susan Pope  
Lending Clerk  
Central Operations


  
**SUSAN DUNN**  
ASSISTANT MANAGER  
CENTRAL OPERATIONS



2008	07 04	18
------	----------	----

**WENDY THOMSON**  
Deputy Corporate Secretary  
REGIONAL DISTRICT OF ALBERNI CLAYOQUOT  
Commissioner for Taking Affidavits  
In the Province of British Columbia.  
(ADDRESS - SAME AS ITEM 3)  
(as to all signatures)

ALBERNI-CLAYOQUOT  
REGIONAL DISTRICT by its  
authorized signatories:

  
R.A. HARPER

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 D  
EXECUTIONS CONTINUED**

Officer Signature(s)

Execution Date

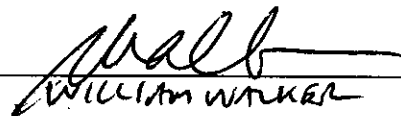
Transferor/Borrower/Party  
Signature(s):



**John R. Manning**  
**MANNING & KIRKHOPE**  
*Barristers, Solicitors & Mediators*  
 430 Wentworth Street  
 Nanaimo, B.C. V9R 3E1

Y	M	D
2008	07	10
2008	04	

ALL ISLAND EQUITY  
MORTGAGE INVESTMENT  
CORP. by its authorized  
signatories:

  
 WILLIAM WALKER

(as to all signatures)

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.

**PAGE 4**

**TERMS OF INSTRUMENT - PART 2**

SECTION 219 COVENANT

BETWEEN:

655,570 B.C. LTD. (Inc. No. 655,570), of 10412 Lakeshore Road, PORT ALBERNI,  
B.C., V9Y 7L7

(Hereinafter called the "Grantor")  
OF THE FIRST PART

AND

ALBERNI -CLAYOQUOT REGIONAL DISTRICT, 3008 - 5<sup>th</sup> Avenue, PORT  
ALBERNI, B.C., V9Y 2E3

(Hereinafter called the "Grantee")  
OF THE SECOND PART

WHEREAS:

A. The Grantor is the registered owner in fee simple of:

PID  
LOT A, DISTRICT LOT 204, ALBERNI DISTRICT, PLAN VIP 85387  
(The "Land")

B. The Grantee is the Regional District of Alberni-Clayoquot;

C. The Grantor wishes to rezone the Land for the purpose of legalizing and developing a number of strata lots and a marina;

D. The Grantor has voluntarily agreed to grant this Covenant (the "Covenant") restricting use of the Land to facilitate the rezoning application.

**NOW THEREFORE** in consideration of the payment of the sum of ONE DOLLAR (\$1.00) BY THE Grantee to the Grantor and the premises and the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto covenant and agree each with the other as follows:

## PAGE 5

## 1. In this Covenant:

**“Vegetative Leave Strip”** means an area on the Land within which the naturally occurring plants, trees and other indigenous vegetation must be supplemented, maintained, protected and preserved, and must not be removed without the prior written consent of the Grantee; except that if any living or dead tree within such Vegetative Leave Strip poses an imminent threat to the safety of persons or property, that tree may be cut down or trimmed without the prior written consent of the Grantee; This area is outlined in black as on Explanatory Plan VIP 85388, a copy of which is attached hereto.

2. The Land shall not be used or built upon except in strict accordance with the terms and conditions of this Covenant;
3. The Grantor must leave a Vegetative Leave Strip as shown outlined on Reference Plan VIP 85388 attached hereto as Schedule “A” except that the Grantor is permitted to construct fencing or quality pathways and one access area of no greater than twenty (20) metres in this Vegetation Leave Strip. Where this Vegetative Leave Strip is required for utility installation these elements are excluded from the Vegetative Leave Strip. Provided however, areas used for utilities will be landscaped to conform with the intent of the Vegetative Leave Strip. It is also understood that there will be two accesses which shall go through the Vegetative Leave Strip off Alden Road being one access north of Lakeshore Road and one access south of Lakeshore Road. Each access shall not exceed twenty (20) metres each in width. There shall also be parking and trailer storage for not greater than 8 spaces off Alden Road north of Lakeshore Road on the Vegetative Leave Strip.
4. The Grantor shall have also have one access from Lakeshore Road to the north part of the property and one access from Lakeshore Road to the south part of the property. Each access shall not exceed twenty (20) metres each in width.
5. The Grantor and the Grantee agree that the enforcement of this Covenant shall be entirely within the discretion of the Grantee and that the execution and registration of this Covenant against the title to the Land shall not be interpreted as creating any duty on the part of the Grantee to the Grantor or to any other person to enforce any provision or the breach of any provision of this Covenant;
6. Nothing contained or implied herein shall prejudice or affect the rights and powers of the Grantee in the exercise of its functions under any public or private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the Land as if the covenant had not been executed and delivered by the Grantor;

## PAGE 6

7. The Grantor hereby releases and forever discharges the Grantee of and from any claim, cause of action, suit, demand, expenses, costs and legal fees whatsoever which the Grantor can or may have against the said Grantee for any loss or damage or injury that the Grantor may sustain or suffer arising out of or in connection with this Covenant;
8. The Grantor covenants and agrees to indemnify and save harmless the Grantee from any and all claims, causes of action, suits, demands, expenses, costs and legal fees whatsoever that anyone might have as owner, occupier or user of the Land, or by a person who has an interest in or comes onto the Land, or by anyone who suffers loss of life or injury to his person or property, that arises out of or in connection with this covenant, the rezoning of the Land, the issuance of a building permit for any building or structure on the Land, or the use and development of the Land;
9. It is mutually understood, acknowledged and agreed by the parties hereto that the Grantee has made no representations, covenants, warranties, guarantees, promises or agreements (oral or otherwise) with the Grantor other than those contained in this Covenant;
10. This Covenant shall be registered in priority to all financial charges against the Land and the Grantor agrees to execute and deliver all other documents and provide all other assurances necessary to give effect to the covenants contained in this Covenant;
11. The Grantor shall pay the legal fees of the Grantee in connection with the preparation and registration of this Covenant. This is a personal covenant between the parties.
12. The Grantor covenants and and agrees for itself, its heirs, executors, successors and assigns, that it will at all times perform and observe the requirements and restrictions hereinbefore set out and they shall be binding upon the Grantor as personal covenants only during the period of its respective ownership of any interest in the Land;
13. The restrictions and covenants herein contained shall be covenants running with the Land and shall be perpetual and shall continue to bind all of the Lands (even if subdivided) and shall be registered in the Victoria Land Title Office pursuant to Section 219 of the Land Title Act as covenants in favour of the Grantee;
14. This Covenant shall enure to the benefit of the Grantee and shall be binding upon the parties hereto and their respective heirs, executors, successors and assigns.

## PAGE 7

15. Wherever the expressions "Grantor" and "Grantee" are used herein, they shall be construed as meaning the plural, feminine or body corporate or politic where the context or the parties so require.
16. COASTAL COMMUNITY CREDIT UNION , the registered holder of charges by way of Mortgage and Assignment of Rents against the within described property which said charges are registered in the Land Title Office at Victoria, British Columbia, under Nos. EV32066 and EV32067, respectively for and in consideration of the sum of ONE DOLLAR (\$1.00) paid by the Grantee to the said Chargeholder (the receipt whereof is acknowledged) agrees with the Grantee, its successors and assigns, that the within Covenant shall be an encumbrance upon the within described property in priority to the said charge in the same manner and to the same effect as if it had been dated and registered prior to the said charge.
17. ALL ISLAND EQUITY MORTGAGE INVESTMENT CORP. (INC. NO. 0537559) , the registered holder of charges by way of Mortgage and Assignment of Rents against the within described property which said charges are registered in the Land Title Office at Victoria, British Columbia, under Nos. FB173758 and FB173759, respectively for and in consideration of the sum of ONE DOLLAR (\$1.00) paid by the Grantee to the said Chargeholder (the receipt whereof is acknowledged) agrees with the Grantee, its successors and assigns, that the within Covenant shall be an encumbrance upon the within described property in priority to the said charge in the same manner and to the same effect as if it had been dated and registered prior to the said charge.

IN WITNESS WHERE OF the parties hereto hereby acknowledge that this Agreement has been duly executed and delivered by the parties executing Form C (pages 1 and 2) attached hereto.



QUICK CONVEY Software

FB194077

LAND TITLE ACT (Section 233)  
Province of British Columbia

18 JUL 2008 14 06

FB194076

**FORM C**  
**GENERAL INSTRUMENT - PART 1**

Page 1 of 8

1. APPLICATION: Client No: #10977 File No: 31295  
Dorothy Clarkstone  
Notary Public  
3151 - 3rd Avenue  
Port Alberni, BC V9Y 4C7  
Tel: 250-723-9747

  
Signature of Applicant's Agent

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:  
(PID) (Legal Description)  
000-100-722 LOT A, DISTRICT LOT 204, ALBERNI DISTRICT,  
PLAN VIP

2C

3. NATURE OF INTEREST: Description: SECTION 219 COVENANT & PRIORITY AGREEMENT  
Document Reference: (page & paragraph) ENTIRE DOCUMENT EXCEPT PRIORITY AGREEMENT PG 7, PARAGRAPH 17 & 18  
Person Entitled to Interest: TRANSFEREE  
AC CHARGE 08/07/18 14:08:06 01 VI 811370 \$132.30

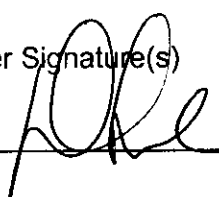
4. TERMS: Part 2 of this instrument consists of (select one only)  
(a) Filed Standard Charge Terms  D.F. Number: \_\_\_\_\_  
(b) Express Charge Terms  Annexed as Part 2  
(c) Release  There is no Part 2 of this instrument  
A selection of (a) includes any additional or modified terms referred to in 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): 655,570 B.C. LTD. (Inc. no. 655,570) and COASTAL COMMUNITY CREDIT UNION and ALL ISLAND EQUITY MORTGAGE INVESTMENT CORP (Inc. No. 0537559)

6. TRANSFEREE(S): (including postal address and postal code) ALBERNI-CLAYOQUOT REGIONAL DISTRICT, 3008 - 5<sup>th</sup> Avenue, PORT ALBERNI, B.C., V9Y 2E3

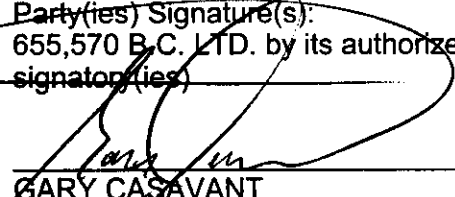
7. ADDITIONAL OR MODIFIED TERMS: N/A

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 items, if any.

Officer Signature(s)  
  
DOROTHY CLARKSTONE  
Notary Public  
3151 3RD AVENUE  
PORT ALBERNI, B.C V9Y 4C7  
(250) 723-9747

Execution Date

Y	M	D
2008	07	18

Party(ies) Signature(s):  
655,570 B.C. LTD. by its authorized signatory(ies)  
  
GARY CASAVANT

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 D  
EXECUTIONS CONTINUED

Officer Signature(s)




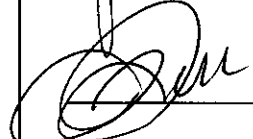
**CHARLES G. RADCLIFFE**  
*Barrister & Solicitor*  
P.O. BOX 778  
NANAIMO, B.C.  
V9R 5M2

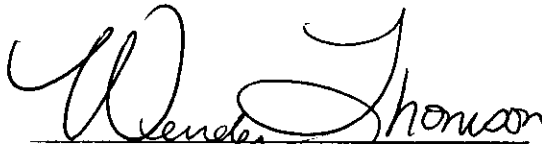
Execution Date

Y	M	D
2008	07 05	11
2008	07 04	18

Transferor/Borrower/Party  
Signature(s):

COASTAL COMMUNITY  
CREDIT UNION by its  
authorized signatoreis:  
  
Susan Pope  
Lending Clerk  
Central Operations


  
**SUSAN DUNN**  
ASSISTANT MANAGER  
CENTRAL OPERATIONS



**WENDY THOMSON**  
Deputy Corporate Secretary  
REGIONAL DISTRICT OF ALBERNI CLAYOQUOT  
Commissioner for Taking Affidavits  
In the Province of British Columbia.

(ADDRESS - SAME AS ITEM 3)  
(as to all signatures)

ALBERNI-CLAYOQUOT  
REGIONAL DISTRICT by its  
authorized signatories:

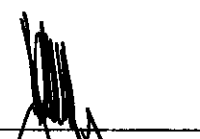
  
**H.A. HARBER**

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 D  
EXECUTIONS CONTINUED**

Officer Signature(s)


  
 \_\_\_\_\_  
 John R. Manning  
**MANNING & KIRKHOPE**  
*Barristers, Solicitors & Mediators*  
 430 Wentworth Street  
 Nanaimo, B.C. V9R 3E1

Execution Date

Y	M	D
2008	07	10
2008	04	

Transferor/Borrower/Party  
Signature(s):

ALL ISLAND EQUITY  
MORTGAGE INVESTMENT  
CORP. by its authorized  
signatories:

  
 \_\_\_\_\_  
 WILLIAM WALKER

(as to all signatures)

**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.

**PAGE 4**

**TERMS OF INSTRUMENT - PART 2**

SECTION 219 COVENANT

BETWEEN:

655,570 B.C. LTD. (Inc. No. 655,570), of 10412 Lakeshore Road, PORT ALBERNI,  
B.C., V9Y 7L7

(Hereinafter called the "Grantor")  
OF THE FIRST PART

AND

ALBERNI -CLAYOQUOT REGIONAL DISTRICT, 3008 - 5<sup>th</sup> Avenue, PORT  
ALBERNI, B.C., V9Y 2E3

(Hereinafter called the "Grantee")  
OF THE SECOND PART

WHEREAS:

- A. The Grantor is the registered owner in fee simple of:
- PID  
LOT A, DISTRICT LOT 204, ALBERNI DISTRICT, PLAN VIP \_\_\_\_\_  
(The "Land")
- B. The Grantee is the Regional District of Alberni-Clayoquot;
- C. The Grantor wishes to rezone the Land for the purpose of legalizing and developing a number of strata lots and a marina;
- D. The Grantor has voluntarily agreed to grant this Covenant (the "Covenant") restricting use of the Land to facilitate the rezoning application.

**NOW THEREFORE** in consideration of the payment of the sum of ONE DOLLAR (\$1.00) BY THE Grantee to the Grantor and the premises and the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto covenant and agree each with the other as follows:

## PAGE 5

## 1. In this Covenant:

**“Covenant Areas”** means the areas identified and outlined in black on Reference Plan of Covenant over Part of Lot A, District Lot 204, Alberni District, Plan VIP \_\_\_\_\_, such plan being registered as plan VIP \_\_\_\_\_, a copy of which is attached hereto as Schedule “A”

**“Dwelling Unit”** means one or more habitable rooms, constituting a self-contained unit with a separate entrance, and used or intended to be used together for living and sleeping purposes for not more than one family and containing a separate and properly ventilated kitchen with a sink and cooking facilities and a bathroom with a water closet, wash basin and bath or shower;

**“Hotel”** means a building containing more than six sleeping units wherein accommodation is provided for transient lodgers. No sleeping unit shall contain private cooking facilities and in no case shall sleeping units be used for retail trade. A hotel shall ordinarily include such ancillary facilities as sample rooms, banquet rooms, rooms devoted primarily to the sale of alcoholic beverages, and other activities permitted in the zoning district in which it is located.

**“Motel”** means a building or group of buildings wherein accommodation is provided, occupied or intended to be occupied primarily by transient motorists in separate sleeping or dwelling units, none of which shall be used for retail trade. A motel may include a café or restaurant and such ancillary facilities as self-service laundry, and common recreational or cooking facilities. Where the motel is located as to be occupied primarily by transient motorists, each sleeping or dwelling unit shall have its own parking space conveniently located on the lot.

**“Non-Residential”** when used with reference to a building, structure or use, means designed, intended or used for purposes other than those of a residential use building.

**“Setback”** means the required minimum distance between the high water mark of Sproat Lake and any building on any lot;

**“Side Lot Line”** means a line, marking the boundary between the Land and another lot or between the Land and a lane or street, of which one or both ends intersect the Front Lot Line;

2. The Land shall not be used or built upon except in strict accordance with the terms and conditions of this Covenant;
3. The Grantor may subdivide Covenant Areas into no more than ten (10) lots or ten (10) strata lots or any combination of lots or strata lots not exceeding ten (10);

## Page 6

4. The Grantor may build upon the Covenant Areas not more than one Hotel with not more than ten sleeping units; or one Motel with not more than ten sleeping units or dwelling units; or not more than ten dwelling units; where the maximum usable floor space of each Hotel sleeping unit or Motel sleeping unit or dwelling unit is no greater than twelve hundred (1200) square feet of living area excluding any garage or carport, and one Non-Residential unit for use as an office or administration unit where the maximum useable floor space is no greater than twelve hundred (1,200) square feet.
5. The Grantor must have a Setback for any building on this Lot of not less than forty (40) feet from Sproat Lake;
6. The Grantor and the Grantee agree that the enforcement of this Covenant shall be entirely within the discretion of the Grantee and that the execution and registration of this Covenant against the title to the Land shall not be interpreted as creating any duty on the part of the Grantee to the Grantor or to any other person to enforce any provision or the breach of any provision of this Covenant;
7. Nothing contained or implied herein shall prejudice or affect the rights and powers of the Grantee in the exercise of its functions under any public or private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the Land as if the covenant had not been executed and delivered by the Grantor;
8. The Grantor hereby releases and forever discharges the Grantee of and from any claim, cause of action, suit, demand, expenses, costs and legal fees whatsoever which the Grantor can or may have against the said Grantee for any loss or damage or injury that the Grantor may sustain or suffer arising out of or in connection with this Covenant;
9. The Grantor covenants and agrees to indemnify and save harmless the Grantee from any and all claims, causes of action, suits, demands, expenses, costs and legal fees whatsoever that anyone might have as owner, occupier or user of the Land, or by a person who has an interest in or comes onto the Land, or by anyone who suffers loss of life or injury to his person or property, that arises out of or in connection with this covenant, the rezoning of the Land, the issuance of a building permit for any building or structure on the Land, or the use and development of the Land;
10. It is mutually understood, acknowledged and agreed by the parties hereto that the Grantee has made no representations, covenants, warranties, guarantees, promises or agreements (oral or otherwise) with the Grantor other than those contained in this Covenant;
11. This Covenant shall be registered in priority to all financial charges against the Land and the Grantor agrees to execute and deliver all other documents and provide all other assurances necessary to give effect to the covenants contained in this Covenant;

## Page 7

12. The Grantor shall pay the legal fees of the Grantee in connection with the preparation and registration of this Covenant. This is a personal covenant between the parties.
13. The Grantor covenants and agrees for itself, its heirs, executors, successors and assigns, that it will at all times perform and observe the requirements and restrictions hereinbefore set out and they shall be binding upon the Grantor as personal covenants only during the period of its respective ownership of any interest in the Land;
14. The restrictions and covenants herein contained shall be covenants running with the Land and shall be perpetual and shall continue to bind all of the Lands (even if subdivided) and shall be registered in the Victoria Land Title Office pursuant to Section 219 of the Land Title Act as covenants in favour of the Grantee;
15. This Covenant shall enure to the benefit of the Grantee and shall be binding upon the parties hereto and their respective heirs, executors, successors and assigns.
16. Wherever the expressions "Grantor" and "Grantee" are used herein, they shall be construed as meaning the plural, feminine or body corporate or politic where the context or the parties so require.
17. COASTAL COMMUNITY CREDIT UNION , the registered holder of charges by way of Mortgage and Assignment of Rents against the within described property which said charges are registered in the Land Title Office at Victoria, British Columbia, under Nos. EV32066 and EV32067, respectively for and in consideration of the sum of ONE DOLLAR (\$1.00) paid by the Grantee to the said Chargeholder (the receipt whereof is acknowledged) agrees with the Grantee, its successors and assigns, that the within Covenant shall be an encumbrance upon the within described property in priority to the said charge in the same manner and to the same effect as if it had been dated and registered prior to the said charge.
18. ALL ISLAND EQUITY MORTGAGE INVESTMENT CORP. (INC. NO. 0537559) , the registered holder of charges by way of Mortgage and Assignment of Rents against the within described property which said charges are registered in the Land Title Office at Victoria, British Columbia, under Nos. FB173758 and FB173759, respectively for and in consideration of the sum of ONE DOLLAR (\$1.00) paid by the Grantee to the said Chargeholder (the receipt whereof is acknowledged) agrees with the Grantee, its successors and assigns, that the within Covenant shall be an encumbrance upon the within described property in priority to the said charge in the same manner and to the same effect as if it had been dated and registered prior to the said charge.

IN WITNESS WHERE OF the parties hereto hereby acknowledge that this Agreement has been duly executed and delivered by the parties executing Form C (pages 1 and 2) attached hereto.

Schedule "A" MIKE

REFERENCE PLAN OF COVENANT OVER PART OF LOT A,

D L 204, ALBERNI DISTRICT, PLAN VIP

(PURSUANT TO 99(1)(e) OF THE LAND TITLE ACT.

B C G S 92F.026

SCALE 1:500

PLAN VIP

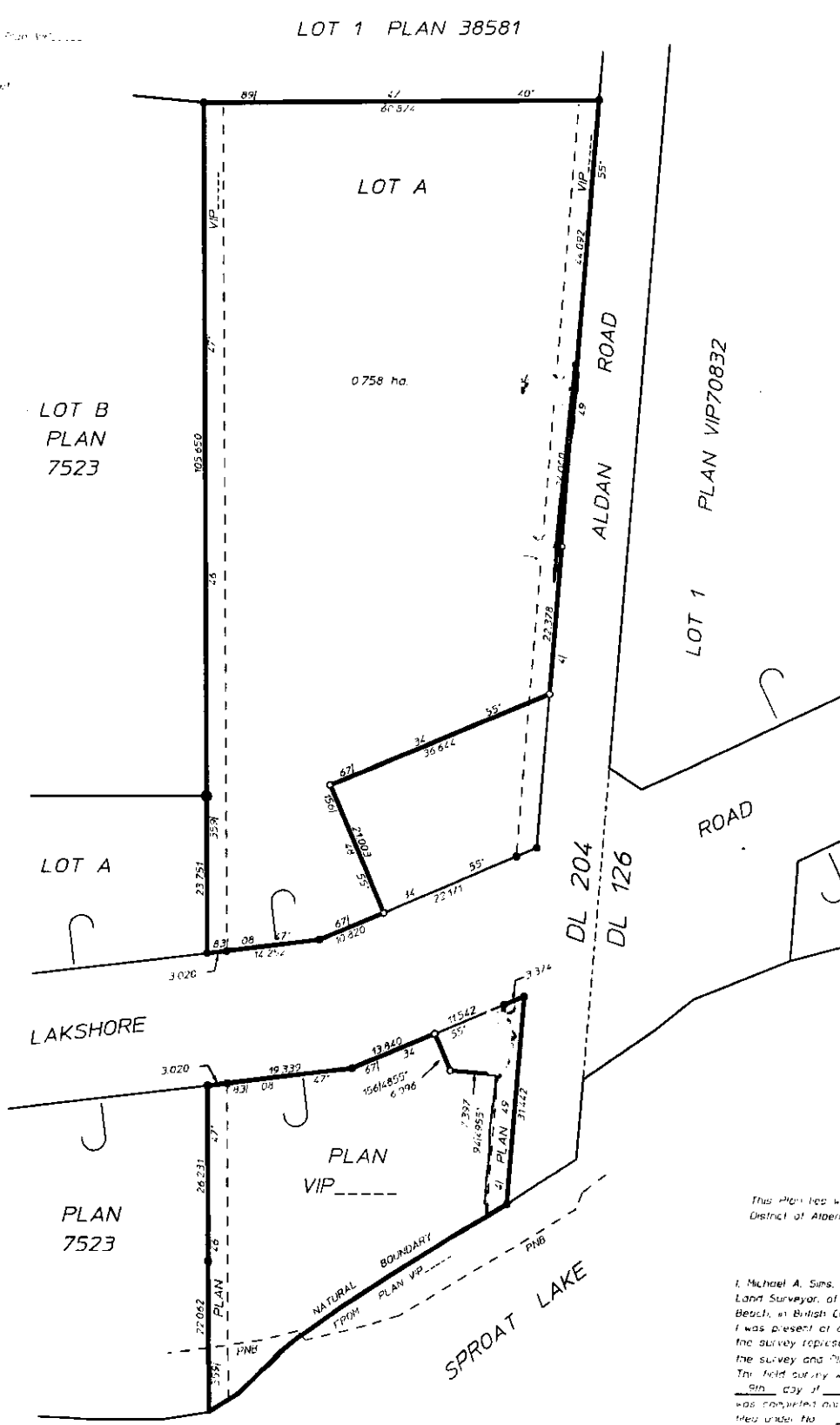
(752-924)

Deposited in the Land Title Office  
at Victoria, BC this \_\_\_\_\_ day of  
\_\_\_\_\_ 2008

Registrar

LEGEND

- Boundary of the Plan
- Boundary of the Reference Plan
- Boundary of the Reference Plan
- Boundary of the Reference Plan
- Boundary of the Reference Plan



**SIMS ASSOCIATES**  
 MICHAEL A. SIMS  
 LAND SURVEYOR  
 1000 WESTERN AVENUE  
 VICTORIA, BC V8M 1Y1  
 TEL: 250-383-1111  
 FAX: 250-383-1112  
 WWW.SIMSASSOCIATES.COM

This Plan lies within the Parish District of Alberni-Clayquot

I, Michael A. Sims, a British Columbia Land Surveyor, of the Town of Qualicum Beach, in British Columbia, certify that I was present at and personally supervised the survey represented by this Plan and that the survey and Plan are correct.  
 The field survey was completed on the \_\_\_\_\_ day of \_\_\_\_\_ 2008. The plan was completed and checked on the \_\_\_\_\_ day of \_\_\_\_\_ 2008.  
 MICHAEL A. SIMS  
 DAY OF \_\_\_\_\_ 2008

Corrected