

## MSROC - SITE TRANSFER PROCESS DOCUMENT 1 - OVERVIEW



March 31, 2019

Mountain Shadows Resort Owners' Corporation  
PO Box 412  
Radium Hotsprings, British Columbia  
V0A 1M0

**Re: Overview of Mountain Shadows Resort (8523 Eacrett Road, Radium Hotsprings, British Columbia)  
For the Purposes of Selling or Purchasing an RV Site - "The Site Transfer Process"**

Mountain Shadows Resort (the "**Resort**") is a recreational vehicle resort located near Radium Hotsprings, BC.

Mountain Shadows Resort Owners' Corporation ("**MSROC**") is a British Columbia company acting as the Owners' Association with 136 shareholders (each a "**Shareholder**" and collectively the "**Shareholders**"). MSROC operates through a board of directors elected annually by the Shareholders. MSROC is responsible for managing and maintaining the Resort and its common areas and facilities. The Shareholders are collectively the owners of MSROC each as to an equal 1/136 interest. Each Shareholder is entitled to exclusive use of the Site (as defined in the Co-Ownership Agreement) associated with the share held by the Shareholder. Use of a Shareholder's Site and the common property of the Resort is subject to the terms of a Co-Ownership Agreement.

Radium Mountain SR Developments Ltd. (the "**Developer**") is the original developer of the Resort. The Developer caused MSROC to hold legal title to the Resort lands and common assets and facilities (the "**Lands**") on behalf of the Shareholders pursuant to an Agency, Bare Trust and Nominee Agreement. Each Shareholder obtains and holds an equal beneficial interest (1/136) in the Lands through a Transfer of Beneficial Ownership Agreement. In this regard, a Shareholder does not own a fee simple interest in the Lands (full legal rights and powers to possess land, such as an individual subdivided lot with title) but rather a share of the Owners' Association (MSROC), a beneficial interest in the Lands, coupled with an exclusive licence to occupy its Site pursuant to the terms of the Co-Ownership Agreement.

Owners and subsequent purchasers of a Site in the Resort must, as a condition of ownership:

- (a) acquire one share in MSROC (either directly from the Developer or a current Owner/Shareholder); [the original share certificate shall remain in the corporate minute book]
- (b) become a signatory to the Co-Ownership Agreement, or assume the signatory of an existing Co-Ownership Agreement, which among other things, regulates the use of certain Sites, authorizes MSROC to administer the financial affairs of the Resort (including the collecting of maintenance fees) and otherwise establishes certain rules so as to ensure that the Resort is maintained for the enjoyment and use of all the Shareholders; and
- (c) execute an instrument evidencing or transferring the Owner's/Shareholder's 1/136 beneficial interest in the Lands.

**Accordingly, any transfer by a Shareholder of its interest in Mountain Shadows Resort, must, if to be valid, be carried out pursuant to the protocol established by MSROC.**

MSROC trusts that this overview explains the ownership structure of Mountain Shadows Resort and we hope you enjoy the Resort as much as we do!

The Board for  
Mountain Shadows Resort Owners' Corporation