

NEW WESTMINSTER LAND TITLE OFFICE

LAND TITLE ACT  
FORM B (Section 225)

Mar-31-2017 16:00:06.001

CA5908611 CA5908612

1490919244

PAGE 1 OF 5 PAGES

MORTGAGE - PART 1 Province of British Columbia

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

**Ian Terence Davis 3UXBSR**  
 Digitally signed by Ian Terence Davis 3UXBSR  
 DN: o=CA, cn=Ian Terence Davis 3UXBSR, o=Lawyer, ou=Verify ID at www.juricert.com/LKUP.cfm? id=3UXBSR  
 Date: 2017.03.31 15:59:00 -07'00'

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)  
**Race & Company, LLP**  
 Shelley Key, Authorized Agent  
 301-37989 Cleveland Avenue, PO Box 1850  
 Squamish BC V8B 0B3  
 Document Fees: \$143.16  
 File No: 56301  
 Phone: 604-892-5254  
 Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
 [PID] [legal description]  
**026-175-835 LOT 1 DISTRICT LOT 512 GROUP 1 NWD PLAN BCP15538 EXCEPT PLAN EPP17088**  
 STC? YES

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))  
**QUEST UNIVERSITY CANADA**  
 3200 UNIVERSITY BOULEVARD  
 SQUAMISH BRITISH COLUMBIA  
 V8B 0N8 CANADA

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))  
**PACIFIC COASTAL FINANCIAL CORP.**  
 401-37989 CLEVELAND AVENUE, PO BOX 1068  
 SQUAMISH BRITISH COLUMBIA  
 CANADA V8B 0A7  
 Incorporation No A0095501

5. PAYMENT PROVISIONS:					
(a) Principal Amount: \$1,000,000.00	(b) Interest Rate: 12.00%	(c) Interest Adjustment Date:	Y 17	M 03	D 31
(d) Interest Calculation Period: Monthly	(e) Payment Dates: 1st day of each and every month	(f) First Payment Date:	17	04	31
(g) Amount of each periodic payment: Interest Only	(h) <i>Interest Act</i> (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is N/A % per annum.	(i) Last Payment Date:	17	08	15
(j) Assignment of Rents which the applicant wants registered ? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> If YES, page and paragraph number: See Schedule	(k) Place of payment: Postal Address in Item 4	(l) Balance Due Date:	17	08	15

**MORTGAGE – PART 1**

1490919244 PAGE 2 OF 5 PAGES

6. MORTGAGE contains floating charge on land ?  
 YES  NO  | 7. MORTGAGE secures a current or running account ?  
 YES  NO

8. INTEREST MORTGAGED:  
 Freehold   
 Other (specify)

9. MORTGAGE TERMS:  
 Part 2 of this mortgage consists of (select one only):  
 (a) Prescribed Standard Mortgage Terms   
 (b) Filed Standard Mortgage Terms  D F Number:  
 (c) Express Mortgage Terms  (annexed to this mortgage as Part 2)  
 A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:  
 N/A

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:  
 Mortgage CA3682766, Modified by CA5615366 and Assignment of Rents CA3682767, Modified by CA5615367

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)  
 \_\_\_\_\_  
 D. Shawn Jones  
 Barrister & Solicitor  
 PO Box 500  
 Squamish, BC, V8B 0A4

Execution Date		
Y	M	D
17	03	31

Borrower(s) Signature(s)  
 Quest University Canada  
 by its authorized signatory(ies):  
 \_\_\_\_\_  
 Print Name: Peter Englert  
 \_\_\_\_\_  
 Print Name:

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 E****SCHEDULE**

PAGE 3 OF 5 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

**5. Payment Provision****(j) Assignment of Rents****1. Definitions**

In this Mortgage:

"Indebtedness" means the Principal Amount of the Mortgage and all interest thereon and all other indebtedness, liability or obligations of the Mortgagor to the Mortgagee from time to time secured by the Mortgage.

"Leases" means each and every written or unwritten agreement to lease, lease renewal, tenancy agreement, licence and right of occupancy made or to be made, or granted or to be granted, with respect to the Mortgaged Land or any part thereof, now or in the future.

"Rents" means all rents and other payments due or accruing due or at any time hereafter to become due pursuant to the Leases and the benefit of all guarantees of payment and all covenants to pay therein contained.

2. The Mortgagor will, without demand, promptly deliver to the Mortgagee a true copy of each of the Leases and give to the Mortgagee full information relating to each of the Leases.

3. The Mortgagor hereby assigns to the Mortgagee all Rents, for the Mortgagee to have and to hold until the Indebtedness and all obligations of the Mortgagor in respect of this Mortgage have been fully paid and satisfied.

4. The Mortgagor hereby grants to the Mortgagee full power and authority to enter upon the Mortgaged Land to collect the Rents, to serve demands on the holders of the Leases in respect of payment of the Rents and to demand, collect, sue for, distrain for, recover and give receipts for the Rents, and to enforce payment of the rents and performance of the said guarantees of payment and covenants to pay, in the Mortgagee's own name or in the name of and as agent for the Mortgagor, as the Mortgagee may elect, and hereby grants to the Mortgagee irrevocable authority to join the Mortgagor in any such proceedings or actions.

5. Although this is a present and absolute assignment, (subject to defeasance on repayment of the Indebtedness), the Mortgagor, as agent for the Mortgagee, will be entitled to collect and retain the Rents as and when they become due and payable according to the terms of the Leases until there is a default in the observance or performance by the Mortgagor of any term, covenant, agreement, proviso or condition of the Mortgage or of any other collateral security; PROVIDED that this paragraph shall not relieve the Mortgagor from the observance and performance of the Mortgagor's obligations hereunder.

**LAND TITLE ACT  
FORM E****SCHEDULE**

PAGE 4 OF 5 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

6. In the event of default by the Mortgagor under the Mortgage, proceedings may, at the option of the Mortgagee, be taken under this assignment of rents either independently or in conjunction with the other rights and remedies of the Mortgagee under the Mortgage.

7. Nothing herein contained shall be deemed to have the effect of making the Mortgagee responsible for the collection of the Rents or for the observance or performance of any of the provisions of the Leases either by the Mortgagor or by any holders of the Leases, or of rendering the Mortgagee a mortgagee in possession of the Mortgaged Land or in any way accountable or liable as such, or of imposing any obligation on the Mortgagee to take any action or exercise any remedy in the collection or recovery of the Rents.

8. The Mortgagee will be liable to account for only such monies as it actually received pursuant to this assignment of rents, including such portions thereof as may be expended by the Mortgagee on collection charges, inspection fees, costs as between solicitor and client, and other expenses to which the Mortgagee may be put in respect thereof, and the balance of such monies, when so received by the Mortgagee, will be applied on account of the Indebtedness.

9. The giving of this assignment of rents is by way of additional and collateral security for the Indebtedness and not in substitution for or satisfaction of any other collateral security and will not in any way derogate from or delay or prejudice any rights or remedies to which the Mortgagee may be entitled under any other security collateral hereto and will not in any way prejudice or limit the obligations of the Mortgagor under any such other security.

10. The Mortgagor will not at any time during the existence of the Mortgage, without the prior written consent of the Mortgagee:

(a) assign, pledge, or otherwise encumber the Leases or the Rents, or any of them, and will not knowingly do or omit to be done or permit to be done any act which either directly or indirectly has the effect of waiving, releasing, reducing or abating any of the Mortgagor's rights or remedies or the obligations of any other party under or in connection with the Leases;

(b) terminate, accept a surrender of, or amend the Leases in any manner, or permit any assignment or extension of any of the Leases or any subletting thereunder; or

(c) receive or permit any prepayment of the Rents under the Leases.

11. The Mortgagor will execute and deliver such further assurances, assignments, notices or other documents as the Mortgagee may reasonably require from time to time to render such assignment effective.

12. At the request of the Mortgagee from time to time, the Mortgagor will give any other party to any of the Leases actual written notice of this assignment of rents, and will use the Mortgagor's best efforts to obtain from such party an acknowledgement of any such notice; but nothing in this paragraph shall oblige the Mortgagee to make any such request.

13. There are to the knowledge of the Mortgagor no existing or future rights of set-off, assignment, commutation or prepayment with respect to the Rents.

**LAND TITLE ACT  
FORM E**

**SCHEDULE**

PAGE 5 OF 5 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

14. To the knowledge of the Mortgagor, there have been no defaults under any of the now existing Leases by the Mortgagor or by any of the holders of the Leases, and there are no outstanding disputes pursuant to such Leases.

15. The Mortgagor will at all times observe and perform all the Mortgagor's obligations under the Leases.

16. The Mortgagor now has good and sufficient power, authority and right to assign the Rents and other benefits referred to herein in the manner aforesaid according to the true intent and meaning of this assignment of rents.