

RICHARDS  
BUELL  
SUTTON

*Established in 1871*

Direct Line: 604.909.9331  
E-mail: tchan@rbs.ca  
Our File: 46700-0055

December 19, 2025

**BY EMAIL**

<@>

Dear <@>:

**Re: Listing of Properties at 2899 No. 3 Rd, Richmond, BC, V6X 2B2  
PID: 029-782-937 LOT 1, BLOCK 5N, PLAN EPP54236, SECTION 21, RANGE 6W, NEW  
WESTMINSTER LAND DISTRICT (the "Property")  
Amber Mortgage Investment Corp. v. Chen's North America Holdings No.1 Ltd. et.  
al. SCBC No. VLC-S-H-241015, Vancouver Registry**

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We are the solicitors and authorized agents of Amber Mortgage Investment Corp. (the "Lender") in connection with the court ordered sale of the above-captioned Property.

With respect to you being given the listing for the Property, we enclose the following:

1. Precedent Contract of Purchase and Sale with Schedule "A" attached.  
  
Please ensure that this Contract, including the Schedule "A" is used for all offers sent to the lender/seller for review and acceptance. This means that you **must** send the form of contract enclosed to realtors who advise you that they will be making an offer to deliver to you;
2. Our Guidelines for Realtors in Court Ordered Sales (which is to be retained exclusively by you, not copied and not provided to any other person without our specific consent). Please read the Guidelines since they establish some of the important terms of your listing on behalf of the seller/Lender;
3. A summary of marketing information required when presenting sales to Court; and
4. A copy of the Supreme Court Order for Conduct of Sale.

Please put on your listing in an appropriate place that the seller requires offers to be made on its form of contract and provide a means for interested parties to obtain the form of contract enclosed, perhaps by having it available to be accessed on your site.

Please provide us with a comparative marketing analysis (CMA) and your considered opinion on what the list price should stand at.

Any Property Disclosure Statement that is prepared must be struck out on each page and clearly specify on each page that the property is sold "as is where is".

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700 - 401 W. Georgia Street, Vancouver, BC, Canada V6B 5A1  
TEL: 604.682.3664 FAX: 604.688.3830 | RBS.CA

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Furthermore, please note for your MLS Listing Agreement:

1. The commission is fixed by the attached Court Order.
2. There must be a Schedule "A" attached that must state:
  - Notwithstanding any other terms herein:
  - All offers and sales are subject to Court approval.
  - A commission is only payable upon the successful completion of a Court approved sale.
  - No commission is payable if the subject mortgage is redeemed or the judgment is satisfied.
3. Under section 5, revisions must be made as follows to comply with court ordered sales:
  - (a) "5(A)(i) a legally enforceable contract of sale between the Seller and a Buyer is entered into during this term of this Contract and approved by the Court; or"
  - (b) "5(A)(ii) a legally enforceable contract of sale that is approved by the Court between the Seller and a Buyer..."
  - (c) Delete 5(A)(iii)
  - (d) "5(B) The Seller will pay the remuneration due to the Listing Brokerage under this Clause 5 on the earlier of the date the sale is completed, or the completion date, ~~or where no contract of sale has been entered into seven (7) days after written demand by the Listing Brokerage~~"

For more details, please review the attached Guidelines for Realtors in Court Ordered Sales.

We look forward to working with you and to receiving a competitive offer through your efforts.

Yours truly,

RICHARDS BUELL SUTTON LLP

Tommy M. Chan  
Enclosure

## Guidelines for Realtors in Court Ordered Sales

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We have compiled the following guidelines for realtors retained for court ordered sales. These sales have substantially different characteristics from consensual sales. The court ordered sale process, it is important to note, also involves a potentially adverse relationship with the registered owner and/or the occupants of the property, whose attitude toward a court ordered sale may range from reasonable co-operation to outright disruption. It is important to be familiar with the process in order to avoid common mistakes that can endanger or unduly complicate the enterprise.

Please note that the guidelines relate to your conduct and activities within the process and not your individual legal situation either with respect to the Sellers or the various parties that you may encounter. The guidelines attempt to deal with commonly encountered situations. Where the guidelines do not provide specific advice on particular issues or problems, please contact us.

Prior to Listing	The authority for the Sellers to list the property with a realtor begins with an Order for Conduct of Sale. This will be provided to you along with the required form of Contract of Purchase and Sale and these Guidelines.
Listing the Property	The listing of the property is effected by filing with the Real Estate Board a copy of the Order for Conduct of Sale, together with the Listing Agreement. The listing period will standardly be 90 days. If the property does not receive an offer within that time frame, it is likely that the property will be transferred to the Sellers' mortgage insurers. There will be no commission paid on a transfer to a mortgage insurer. If the mortgage is uninsured, the property will usually be relisted until sold.
Commission	<p>The standard commission we obtain authority from the Court to pay you will usually be 7% of the first \$100,000 of the sale price and 2½% of the balance of the sale price.</p> <p>Your entitlement to a commission is more restricted than in a consensual sale. Essentially, a commission is earned only if the sale completes. There are a number of factors including the borrower's right to redeem the mortgage at any time until an order of the court is made approving a sale or the outright refusal of a court to approve a sale that can prevent a particular sale from completing. If a competing bid is approved in preference to an original offer you may find that you are entitled only to part instead of all of the commission payable.</p> <p>Please note that the above restrictions on your entitlement to a commission apply irrespective of the terms of the Listing Agreement you enter into with the Sellers. The Real Estate Board does not allow Listing Agreements to be used for MLS listings that contain terms appropriate to Court sales. For that reason the above restrictions on entitlement to commission must prevail over the terms of the Listing Agreement you enter into. If you are unwilling to agree to this you</p>

must immediately advise us and the Sellers will then appoint a different realtor.

#### Agent of the Court

When the Sellers obtain an Order for Conduct of Sale, it is considered to be an agent of the court. At the same time, it is obviously pursuing its own interest in taking steps to sell a property. As the agent of the Sellers, you are also an agent of the court. To the court is owed duties of good faith, honesty and the obligation to observe the principles guiding a court ordered sale. There can be no additional remuneration received by the realtor in order to alter the process of the parties and the realtors are obliged to make full and frank disclosure of all material factors regarding marketing and the obtaining of offers. One example of a possible conflict can arise is when the listing realtor also becomes the realtor for the purchaser. This is allowed but the realtor must at all times avoid any appearance of being partial to that offer and either discouraging or frustrating additional offers on which the realtor will not receive the entire commission.

#### Marketing

The marketing process is key to obtaining court approval for an offer. When an offer is presented to court, particularly if there are no competing offers, we sometimes file an appraisal in support of the offered price but the court also requires a thorough summary of the marketing process. This includes the details of the listing itself (dates and list prices, including any price reductions), of any recent prior listings, disclosure of all earlier offers received (the amount offered and/or counter offered, the name of the offeror, and any relevant reason known as to why the offer didn't go any further), all methods of advertising, the number of showings, significant comments made by other realtors that you receive and any special comments you have on the property, such as the condition of the property, the lack of certain essential features, the difficulties caused by occupants and so on. We expect you to keep and evolve a marketing history in your file so that it is ready to present to us along with the offer that will be taken to court. Note that there is usually some urgency in having the offer approved and so we need the marketing information at the same time as you send us the accepted offer. We may also require your marketing history at the end of the listing period even if no offer is obtained.

In order to have a sale approved by the court, it usually must be shown the property was properly marketed and exposed for a sufficient length of time to the market in order to obtain what the courts refer to as the "best price". The concept of the "best price" disallows the marketing of the property as a "distress sale" or "foreclosure sale". The court expects the sale price to be the price that would be obtained in a consensual, arms-length transaction after reasonable marketing efforts. It is difficult to define what adequate marketing is but for a standard residential property, it would normally be assumed that it would be marketed for at least one or two months. Sometimes an offer will be made which significantly surpass

## Form of Offers

expectations and, in such a case, the offer may be accepted immediately and taken to court for approval. This will not happen often and usually when it does, it will be supported by an appraisal showing it to be an exceptional offer.

The property must, of course, be listed on the MLS and the realtor must be available to show the property on an ongoing basis.

The package provided includes a form of offer consisting of a Schedule "A". This format must be adhered to strictly and all offerors, including later competing purchasers, must be advised that this is the only form of offer that will be entertained. In order for an offer to be eligible for consideration by the court, there must be no subject conditions on the offer at the time of presentation to court except for "subject to court approval", which must be on all offers presented to the court. If you review Schedule "A", you will see certain differences key to the court ordered sale. Some chief features in preparing the offer are as follows:

- **the property is sold "as is, where is"**. The buyer must accept the property in the condition that it is in at the time the offer is made and also on the completion date. The Sellers have little or no control over the property because the Sellers do not occupy the property;
- appliances or other personal property that are not fixtures cannot be included in any offer to purchase. If there are appliances that are permanently built in so that there is no doubt that they are fixtures, those will be conveyed automatically with the sale of the land and the house. You should be careful about giving opinions as to what are fixtures and what are not. You simply tell the purchaser the general rule and the purchaser must make his own determination as to the likelihood of receiving certain items, such as appliances. The reason for all of this is that in a mortgage foreclosure proceeding, the court has no jurisdiction over personal property but only over land, buildings and fixtures;
- you should give us a minimum time frame of two weeks to obtain court approval after the offer is ready to present to court. In smaller vicinities, court dates are more infrequent and we may have to find a court house some distance from the property in order to meet a time frame. If there is any doubt as to this, please contact us in advance and we will advise you of court dates and of how the date should be arranged on the contract;
- where properties are occupied, the smoothest arrangement is to allow an occupant at least one calendar month notice in order to vacate. It is difficult for people to find new accommodation other than on the first of the month and often

## Competing Offers

they must begin searching for that accommodation at the latest by the beginning of the previous month. Please try and tell occupants of offers as soon as you know an offer will be accepted by the Lender and subjects are removed. This will give more time to the occupants to find new accommodation;

- please ensure that Schedule "A" is initialed by the offeror. Please do not make any material changes to Schedule "A" without asking us about it first.

In a consensual sale, once an offer is accepted, the owner would not be entitled to deal with a further offer unless that offer was made subject to the non-removal of subject conditions in the first offer. We do not do that with court ordered sales. The duty imposed on an agent of the court is to continue to solicit offers until a sale has been approved, even if an offer has been accepted and remains only subject to court approval. This is a delicate situation and a number of factors should be observed, as follows:

- all further offerors must be told that they have the ability to make an offer to the court pursuant to the Court Sealed Bid Procedure. The initial offeror must be told to be prepared to decide whether to increase the amount of his offer if any competing offer will be presented;
- all further offerors must be told that their offer must be in the required form, i.e. the Standard Contract plus the Schedule "A". They should also be advised that their offers must be free of subject conditions except for court approval when they present their offer to the court;
- all offerors must follow the Court Sealed Bid Procedure for their deposits;
- we expect the listing realtor to appear on the court applications. In rare cases, the listing realtor may have to answer questions of the court. In other cases, we expect the listing realtor to bring some order to what is often an unruly bunch of competing purchasers. This also deters purchasers appearing in the absence of the listing realtor and advising that the listing realtor had advised or represented certain things to them which are at odds with the process;
- it is extremely important that, by the time of court approval, we have the correct purchasers on the contract and that their names are properly stated. Once the court approves the sale, the names on the contract will go into the court order and the court order cannot be amended except by another application to court which will likely involve a cost of \$800 to \$1,000. People are often very casual in terms of how they identify themselves and the anticipated parties to a contract.

Sometimes they propose to buy the property in their own names "and/or assignee". A court order cannot be assigned to any other party. This includes one spouse making an offer that is accepted by the court and then wanting to have the other spouse included on title. The issues regarding names often surface when the purchaser's mortgage financing is finalized. Mortgage lenders usually wish to have the full and correct names of parties. If, for example, the offer has simply a first and last name and the bank insists on a mortgage under the first, middle and last name of the purchaser, the Land Title Office will reject the documents because they are in two different names. A good practice is to use the version of the buyers' names the mortgage application was approved in. Or, you can have the proposed purchaser advise of the lawyer or notary he intends to use and we will contact that lawyer or notary prior to the court date to confirm the parties and their names. In the case of competing bids, this is often not possible and so the purchasers must be warned beforehand. We do not consider it the responsibility of the Sellers to fix names and/or parties through seeking an amending order after the original order has been made. The purchaser will be asked to pay for this. It will also use up what may be valuable time;

- We also need to know whether co-purchasers will be joint tenants or tenants-in-common. If this is not specified, the buyers will be made tenants-in-common.

#### After Court Approval

After court approval, we will draft and enter the order and have it certified for presentation to the buyer's lawyers. The order will clear the title of all charges and encumbrances as well as transfer the property to the purchaser. The purchaser will, of course, have to pay any applicable property transfer tax and, in rare cases, GST (ie. for a new building).

We often get questions from realtors as to whether an addendum must be prepared after court approval in order to waive the subject to court approval condition. This is not required and we do not encourage it. As far as the law is concerned, either court approval has been obtained or it has not. The existence of an order settles that conclusively.

#### Dealing with Occupants

A considerable number of the properties involved will be vacant by the time of listing. A key will be provided and the property will be looked after by a property management agent retained by the Sellers. There will be some contact necessary between you and the property management company in order to acquire the key and deal with day-to-day issues regarding the house.

In cases where the property is occupied, it will be occupied either by the registered owner, tenants of the registered owner or other people who are there because of some arrangement with the owner. Such

people will range from co-operative to difficult. In all cases, the approach must be one of politeness but the realtors must be firm in pointing out that the court has authorized the sale and access to the property. Please have a look at the court order for the access hours authorized by the court. You have a right to market and to access the property under the court order. You should have a copy of the court order with you in case you encounter difficulties. We will usually have provided the occupants with a copy of the order for conduct of sale before you arrive at the property. However, some people either don't bother to read these documents or they say are unable to understand them. If, despite your efforts, access is difficult or impossible, please advise us and we will first of all serve the occupant personally with a copy of the order and our letter to the occupant advising them to comply or face the consequences and, if the difficulties persist, we will obtain an order of the court either to install a lock box, to obtain vacant possession (extremely hard to obtain) or for an order against the occupant to show cause why the occupant should not be held in contempt of court. It is our policy not to threaten people unduly with such things since a contempt order in particular has quasi-criminal overtones to it but you may convey that appropriate measures will be taken.

It is best by far to try to build a bit of a relationship with the occupant. Some pleasantness and an indication that you are not their enemy goes a long way. We also encourage frankness with the occupants, depending on their status. For example, an owner should be told of any progress in making offers, where it is convenient to do so. In the working out of an offer that will be presented to court, we expect the realtor to advise the occupant/owner as soon as possible of the offer. This will give the occupant some notice about the upcoming requirement to vacate and we would ask that such advice to the occupant be included in your marketing report. We frequently deal with occupants/owners who claim that they were not told anything and, therefore, are unprepared to vacate. In the worst case, when we obtain an offer on a property that is occupied, by the time we get the court documents out, the occupant has only a week or two to vacate and they appear in court and complain about the short notice and upset the sale. So, it is in your interest to advise all occupants as soon as possible of the upcoming need to vacate.

Note that the foreclosure proceeding usually has priority over tenants' rights under the Residential Tenancy Act because usually the registration date of the mortgage precedes the tenancy.

Assuming that the occupants have been properly notified and still refuse to vacate on the possession date, we will, in accordance with the paragraph in Schedule "A", apply to court to obtain a Writ of Possession. We will need a letter from you or the purchaser's realtor advising that the occupants have not vacated to attach to our court materials. We will then obtain the order and engage the court's sheriff to remove the occupants and their belongings. This may involve

Strata Corporations

some inconvenience to purchasers but it is one of the risks of making an offer within a foreclosure.

Strata units present unique issues. We expect you to contact strata corporation's agent, usually a property management company and advise them that you have the listing and to see if the strata corporation has any procedures to observe regarding the sale of strata units. We will also expect you to obtain a general idea at least (and to communicate with us) any special issues regarding the strata unit, such as outstanding breaches of rules or the imposition of unpaid special assessments. These will be needed for negotiations with purchasers. With respect to special assessments, the standard arrangement is that the vendor will pay any special assessments levied prior to the date of the offer and the buyer will be responsible for any special assessments imposed thereafter. There are possible variations on this but such an arrangement is the simplest way to proceed. If the vendor is responsible for paying assessments, the practice is to pay them out of the sale proceeds. You can advise the buyer that we will deal with the strata corporation so that the buyer will not be responsible for any claims of the strata corporation for the time period before the adjustment date.

These guidelines have been prepared by Richards Buell Sutton LLP and its contents are proprietary to Richards Buell Sutton LLP. These guidelines are intended for the use solely of realtors acting on court ordered sales on behalf of our clients and are not authorized to be disseminated or released to any other person. Realtors operating under these guidelines may contact the following persons at Richards Buell Sutton LLP for information, to ask questions or for any other purpose, as follows:

Tommy M. Chan (lawyer)  
604.909.9331

## REQUIRED INFORMATION FOR COURT APPROVAL

When presenting any sale to Court for approval we require the following:

1. A letter from the realtor on their letterhead detailing their marketing history of the subject property, which must include the following:
  - (a) The original listing date and price.
  - (b) Any price reduction and the date of the price reductions.
  - (c) If the listing expired and was relisted or renewed, the date and listing price of same.
  - (d) The same information in (a) to (c) if the property was listed by the owner through a realtor prior to the Sellers listing the property or by the Sellers (the lender) with a different realty firm before the listing with you.
  - (e) The methods of advertising used, i.e. MLS, internet, local newspapers, flyers etc. for the listing.
  - (f) How many showings of the property and calls received for listing.
  - (g) Details of any other offers made on the property since the Sellers' listing, who they were from, the amount of them and why they were not accepted or did not complete, i.e. offer too low, purchaser failed to remove subjects due to \_\_\_\_\_ etc.
  - (h) Statement that the subject offer is a fair offer and the best offer made to date.
2. The following information in writing (email or letter):
  - (a) Name, telephone and fax numbers of the purchaser's solicitor or notary and whether they are a solicitor or notary.
  - (b) Full legal names and whether or not purchasers are joint tenants or tenants-in-common.
  - (c) Legible copy of fully executed subject free contract.
  - (d) Any knowledge that the realtor may have of other bids being presented at Court.

Note that the purpose of the marketing report is to help convince the Court that the offer is provident and should be approved. That is why, for example, listings prior to yours are relevant; they show that the property has been marketed for a longer period than the time involved just in your listing.

If you have any questions, please call: Tommy M. Chan (604.909.9331 or [tchan@rbs.ca](mailto:tchan@rbs.ca)).