

January 23, 2019

Dear Mayor and Council  
RE: Section 219 Covenant Dated February 2009  
Lot B 5235 Munn Road..PID 027-939-626  
"The Gregory House"

RECEIVED  
JAN 25 2019  
District of Highlands

As the trustees for the estate of Lorraine Brotherston we are asking for council's reconsideration in the matter of a section 219 covenant dated February 2009 which applies to the property known as "The Gregory House." Section 1.1 of the covenant states: "The Transferee hereby agrees and covenants that the Transferor will not use or not occupy the lands for residential purposes, which shall include but not be limited to, that meaning set out in the District of Highlands Bylaw #100 as well as occupancy as a residence or dwelling."

The Brotherston family has resided within the District of Highlands for 70 years. During that time Ken and Lorraine Brotherston raised their five children and ran a family farm. Four of the five children have remained in the District and also raised their children and now their grandchildren. The Brotherston farm has remained one of the only actively working farms within the District today. The farm has Highland cattle and sells produce and products to the public.

Tragically in January of 2016 Lorraine Brotherston passed away. Since that time the family has strived to maintain the farm and continue the history and family values that are a part of the heritage of the family and the land.

Lorraine Brotherston had two pieces of property in her estate upon her death. Her home at the time of her death and the "Gregory House" property. Both of these properties had debts associated with them at the time of Lorraine's death. Lorraine's home and associated debt has been rectified and disbursed as per her will. The "Gregory House" has a debt registered against the land. Since Lorraine's death the trustees have been actively searching for financing for the "Gregory House" to allow the debt to be paid, the property to be disbursed as per the will, have funds to maintain the "Gregory House" and stop further deterioration of the shell of the house and actively farm the land as the family always has.

The trustees have run into some stumbling blocks along the way, all of which relate back to the Section 219 covenant registered on title.

1. We have not been able to obtain conventional financing from a bank or credit union. The property is considered bare land and financial institutions will lend 50% of the value of raw land. When the bank does their due diligence and searches the title the "no occupancy" covenant comes to light. BC assessment values the land at \$392,000

without considering the covenant. BC appraisers and bank assessors have given the land a value of \$119,000 when considering the covenant. The current debt exceeds the total value given when considering the covenant. There is not enough equity to service a loan value needed to pay the current debts on the property or funds to stop further deterioration of the "Gregory House" and the barn. Because of this fact we were forced to get a high interest, one-year term personal loan while we work at trying to rectify the covenant issue.

2. The "Gregory House" property was the original farm. It was considered by B.C. farm as Lot B of 5247 Munn Road. The farmer, Lorraine Brotherston resided at Lot A 5247 Munn Road. Since Lorraine's passing "The Gregory house property must lease the land to 5247 Munn Road in order to be included in the farm. We would like the Gregory house re-instated as the original farm so we can have confidence the farm will continue. The farmer must reside on the property to do that.
3. Because of the dilapidated state of the "Gregory House" we have been unable to obtain insurance. This poses a huge liability risk for the family. The property is directly across from the Mount Work CRD parking lot. We often have the public venturing onto the property to look at the cows, pick an apple or two and look around the heritage home. If there was an incident we could face serious consequences.
4. Because of the "no occupancy, no build" covenant we are unable to obtain a building permit from The District of Highlands to maintain or stop further deterioration of the "Gregory House."

We acknowledge the historical family and community values this land and home have. We would like to have an opportunity to work with staff, council, the Highlands Preservation Society and the Province to garner partial funding to restore the "Gregory House" exterior, foundation, roof and fireplace to its original glory.

Our goals would be to have a farm hand occupy the land, have an ability to finance the debt associated with the property as well as the cost to restore the exterior and interior. We would like the ability to earn monies from the home and land to pay the debt off. The family would like to continue to farm the land as they always have, maintain adequate insurance and keep the property in the Brotherston family for the foreseeable future.

We thank you for your consideration and look forward to discussion on the matter.

Sincerely,

Marie Brotherston  
For Ken Brotherston (trustee)  
And Janette Woodruff (trustee)