

Warranty Information for New Freehold Homes

This information sheet provides a basic overview of the warranties and protections that come with your new home. This warranty is provided to you by your builder and backed by Tarion. For more detailed information visit [tarion.com](http://www.tarion.com) and log into our online learning hub at www.tarion.com/learninghub

The Pre-Delivery Inspection (PDI)

Before you take possession of your new home, your builder is required to conduct a pre-delivery inspection (PDI) with you or someone you designate to act on your behalf. If you wish, you may be accompanied by someone who can provide expert assistance. The PDI is important because it is an opportunity to learn about how to operate and maintain parts of your home, such as the ventilation, plumbing, and heating systems. It is also important because it gives you an opportunity to note items in your home that are damaged, missing, incomplete, or not working properly before you take possession of your home. This record is also significant as it may help show what items may have been damaged before you moved in and helps resolve any disputes relating to whether or not an item of damage was caused by the use of the home.

The PDI is only one piece of evidence relating to damaged or incomplete items, and you should note and document (e.g. via photos or video) any concerns or damaged items as soon as you notice them after taking possession if they were missed on your PDI. If the damaged items are not addressed by your builder, you can include them in your 30-Day Form to Tarion. Damaged items are covered under the warranty if the damage was caused by the builder or their trades. There is more information about the PDI here: www.tarion.com/learninghub

Deposit Protection

The deposit you provide to your builder is protected up to certain limits if your builder goes bankrupt, fundamentally breaches your Agreement of Purchase and Sale or you exercise your legal right to terminate it. Deposit coverage limits are \$60,000 if the purchase price is \$600,000 or less and 10% of purchase price to a maximum of \$100,000 if the purchase price is over \$600,000. This protection includes the money you put down towards upgrades and other extras.

Delayed Closing Coverage

Your builder guarantees that your home will be ready for you to move in by a date specified in the Agreement of Purchase and Sale or a date that has been properly extended (if for certain reasons the original closing date cannot be met). You may be able to claim up to \$7,500 from your builder in compensation if they do not meet the conditions for an allowable extension that are outlined in the Addendum to your Agreement of Purchase and Sale.

Warranty Coverage

The warranty on work and materials commences on your date of possession and provides up to a maximum of \$300,000 in coverage. There are limitations on scope and duration as follows. Your builder warrants that your home will, on delivery, have these warranties:

One-Year Warranty

- Your home is constructed in a workmanlike manner, free from defects in material, is fit for habitation and complies with Ontario's Building Code
- Protects against the unauthorized substitution of items specified in the Agreement of Purchase and Sale or selected by you

Two-Year Warranty

- Protects against water penetration through the basement or foundation walls, windows, and the building envelope
- Covers defects in work or materials in the electrical, plumbing, and heating delivery and distribution systems
- Covers defects in work or materials that result in the detachment, displacement, or deterioration of exterior cladding (such as brick work, aluminum, or vinyl siding)
- Protects against violations of Ontario's Building Code that affect health and safety

Seven-Year Warranty

- Protects against defects in work or materials that affect a structural load-bearing element of the home resulting in structural failure or that materially and adversely compromise the structural integrity; and/or that materially and adversely affect the use of a significant portion of the home.

Continued...

Warranty Exclusions

Your warranty, provided to you by your builder and backed by Tarion, is a limited warranty - not all deficiencies are covered. And the protection provided by Tarion is also limited. Exclusions to coverage include: normal wear and tear, damage caused by improper maintenance, damage caused by a third party, secondary damage caused by defects that are under warranty, supplementary warranties, deficiencies caused by homeowner actions, elevators, HVAC appliances, specific defects accepted in writing and damage resulting from an Act of God.

Construction Performance Guidelines

The Construction Performance Guidelines are a resource to provide advance guidance as to how Tarion may decide disputes between homeowners and builders regarding defects in work or materials. The Construction Performance Guidelines are intended to complement Ontario's Building Code. They are supplemented by any applicable guidelines or standards produced by industry associations. They do not replace manufacturer warranties. The Construction Performance Guidelines are available in several different formats accessible via cpg.tarion.com.

Important Next Steps

1. Visit Tarion's website to learn more about your warranty coverage and the process for getting warranty assistance, as well as your rights, responsibilities, and obligations as a new homeowner.
2. Prepare for your pre-delivery inspection (PDI). Visit Tarion's website for helpful resources, including a PDI Checklist and educational videos.
3. Register for Tarion's **MyHome** right after you take possession. MyHome is an online tool you can use from your computer or mobile device that allows you to submit warranty claims and upload supporting documents directly to your builder and Tarion. It also alerts you to important dates and warranty timelines, allows you to receive official correspondence from Tarion electronically, and schedule an inspection with Tarion when you need assistance.

About Tarion

Tarion is a not-for-profit organization that administers Ontario's new home warranty and protection program. Our role is to ensure that purchasers of new homes receive the warranties and protections, provided by their builder and backstopped by Tarion, that they are entitled to by law.

Contact us at 1-877-982-7466 or customerservice@tarion.com.

FOR REVIEW ONLY

CRYSTAL HOMES (HILLSDALE) CORPORATION

AGREEMENT OF PURCHASE AND SALE

LOT MODEL TYPE Elevation

The undersigned (hereinafter called the "Purchaser") having inspected the real property hereby agrees with Crystal Homes (Hillsdale) Corporation (hereinafter called the "Vendor") to purchase the lands and premises and the residential dwelling erected or to be erected thereon being Lot No. according to (proposed) Plan No.51M- (hereinafter called the "Subdivision Plan"), in the Township of Springwater, County of Simcoe (hereinafter called the "Property" or the "Real Property"), at the price of:

Dollars

(\$), including the net amount of Harmonized Sales Tax in accordance with Section N

(hereinafter called the "Purchase Price"), payable as follows: \$ payable to the Vendor's solicitors, ANTHONY J DI SILVESTRO PROFESSIONAL CORPORATION, IN TRUST, as a deposit with this offer, (Note: purchasers are strongly advised to review Schedule "DE" of this Agreement as it relates to any monies paid to Anthony J Di Silvestro Professional Corporation, in trust),

and a further deposit of \$ payable to the Vendor on

and a further deposit of \$ payable to the Vendor on

and a further deposit of \$ payable to the Vendor on

and a further deposit of \$ payable to the Vendor on

and a further deposit of \$ payable to the Vendor on

and a further deposit of \$ payable to the Vendor on

The Purchaser agrees to pay the balance of the Purchase Price on Closing, subject to adjustments herein and any additional monies herein provided for by certified cheque(s) drawn on an Ontario solicitor's trust account to the Vendor or in accordance with its direction.

The Closing Date shall be the Firm Closing Date established by the Vendor pursuant to the Tarion Addendum that is annexed to and forms part of this Agreement (herein called the "Addendum") or, if applicable, the Delayed Closing Date if set by the Vendor pursuant to the Addendum, subject however to extension in accordance with the Addendum.

This Section, the Definitions, Sections A to Q, and the following Schedules appended hereto form a part of this agreement:

- Schedule "A" - Features
Schedule "B" - Extras included in the Purchase Price
Schedule "C" - Statement of Critical Dates and Addendum
Schedule "DE" - Deposit Monies
Schedule "E" - Warning Clauses
Schedule "F" - Acknowledgement of Receipt of Tarion Information Sheet
Schedule "S" - Site Plan
Schedule "FLP" - Floor Plan

Dated at this day of 20

SIGNED, SEALED AND DELIVERED in the presence of

IN WITNESS WHEREOF I have hereto set my hand and seal

PURCHASER DOB (D/M/Y)

PURCHASER DOB (D/M/Y)

PURCHASER DOB (D/M/Y)

PURCHASER DOB (D/M/Y)

PURCHASER'S ADDRESS

TELEPHONE EMAIL

PURCHASER'S SOLICITOR

The undersigned hereby accepts the above offer, deposit and terms, and covenants, promises and agrees with the Purchaser to duly carry out the same on the terms and conditions above-mentioned.

Dated at this day of 20

Vendor's Solicitors Di Silvestro Associates 161 Rebecca Street, 2nd Floor Hamilton, Ontario L8R 1B9 Attention: Linda A. Duemo Tel.: (905) 525-7854 Fax: (905) 525-7928

CRYSTAL HOMES (HILLSDALE) CORPORATION per:

Authorized Signing Officer

The Purchaser further covenants and agrees with the Vendor as follows:

To ensure prompt payment of the said further deposit, the Purchaser shall deliver to the Vendor with this offer cheques for the amounts of the further deposits to be negotiated by the Vendor as provided herein.

This offer shall be irrevocable by the Purchaser until 5:00 p.m., on the 7th Business Day (as herein defined in the Addendum) after which it is made. Any offer or counter-offer by the Vendor is irrevocable until 5:00 p.m. on the 2nd calendar day after which it is made. If not accepted within the applicable time, this offer, or any counter-offer, as the case may be, shall be null and void and the deposit shall be returned to the Purchaser without any deduction or interest.

It is understood and agreed that should the Purchaser's deposit monies not be cleared by the Vendor's bank within one (1) week from the date of acceptance or the date set out for payment of any further deposit, then at the option of the Vendor, the Vendor may on written notice to the Purchaser, either:

- (1) declare this Agreement of Purchase and Sale (herein called the "Agreement") null and void and the parties hereto shall be released from all terms, covenants and conditions of this Agreement and any deposit monies paid shall be forfeited to the Vendor as liquidated damages and not as a penalty; or
- (2) the said unpaid deposit or further deposit shall commence to accrue interest at an interest rate equal to the prime rate of the Royal Bank of Canada plus three percent (3%) per annum until paid, which payment, together with a \$250.00 charge for tendering a cheque with insufficient funds, shall be made no later than Closing.

The Purchaser shall deliver to the Vendor a copy of a binding commitment for the balance of the Purchase Price or evidence satisfactory to the Vendor, acting reasonably, of the Purchaser's ability to finance payment of the balance of the Purchase Price on Closing, within 10 days of the date of execution of this Agreement by the Purchaser, failing which the Vendor may in its sole, subjective and absolute discretion, in addition to any other remedies this Agreement provides and in addition to any other remedies available to the Vendor (at law or in equity); (1) declare this Agreement to be terminated, whereupon all deposit monies heretofore paid by the Purchaser shall be retained by the Vendor as its liquidated damages and not as a penalty; or (2) make alternate arrangements, on reasonable commercial terms to provide financing to the Purchaser from the Vendor or a financial institution for any shortfall in the financing that the Purchaser is able to arrange for the balance of the Purchase Price, but the Vendor is under no obligation to do so.

The Purchaser warrants that all financial and other information given and to be given in connection with and in support of this offer is full, complete and true in substance and in fact and hereby authorizes the Vendor to obtain such information as it may require from any consumer reporting agency and hereby instructs any such agency to comply with any such request from Vendor, for all purposes under the Consumer Reporting Act (Ontario).

It is expressly understood and agreed by the parties hereto that notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Vendor shall be entitled to unilaterally extend the Closing Date on one occasion, for a period of one Business Day (as defined in the Addendum), where the Purchaser is not ready to complete the transaction on the Closing Date.

VENDOR INTENDS TO REQUEST A REPORT FROM A CONSUMER REPORTING AGENCY.

For the purpose of this Agreement, the Property shall be deemed to be substantially completed when the interior work has been finished to the minimum standards allowed by the Municipality so that the dwelling may be lawfully occupied notwithstanding that there remains other work within the dwelling, or on the Property (including the common elements) to be completed. The Purchaser shall not occupy the dwelling until the Municipality (defined below) has permitted same or consented thereto.

If the substantial completion of the dwelling, or the Closing Date of this transaction is delayed for any reason as a result of any act of the Purchaser, either directly or indirectly as a result of any default of the Purchaser in his obligations hereunder, the Vendor may elect not to extend the time for substantial completion hereunder and to terminate this agreement and to return the deposit or the Vendor may at its option declare this Agreement null and void and the parties hereto shall be released from all terms, covenants and conditions of this Agreement and any deposit monies shall be forfeited to the Vendor as liquidated damages and not as a penalty. In each of such cases, the Purchaser shall execute and deliver such documents affecting title as are necessary for the Vendor to effect a resale of the premises to another purchaser.

On the Closing Date, vacant possession of the Property shall be given to the Purchaser. Keys will be released to the Purchaser at the Land Registry Office or to the Purchaser's solicitor, as the Vendor in its absolute discretion determines. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys and possession of the Property on the Purchaser.

A. CONSTRUCTION

- (1) It is agreed between the parties hereto that unless already constructed there is to be constructed and completed upon the real estate Property a residential dwelling substantially in accordance with the basic structural plans and specifications for the Vendor's plan previously examined by the Purchaser, subject to the provisions of this Agreement. The number of risers in any staircase may vary, depending on the grade, with any floor plan. The Purchaser acknowledges that the dimensions of the Property and the square footage of the dwelling set out in this Agreement or in any brochure or plan are approximate only. In the event that the frontage, depth or area of the Property or square footage of the dwelling is varied by up to and including five (5%) percent from those specified in the Agreement or in any brochure or plan, or any or all of the foregoing, the Purchaser agrees to accept all such variations without claim for abatement in the Purchase Price and this Agreement shall be read with all amendments required thereby. If any such variation exceeds five (5%) percent, the Purchaser's sole remedy shall be to terminate this Agreement and the Purchaser shall be entitled to a refund of the deposit monies only, without interest, and the Vendor, the real estate broker and sales representative shall be relieved of further obligations and liability.

The Vendor agrees that it will use reasonable commercial efforts to complete the dwelling substantially in accordance with the plans and specifications available for viewing by the Purchaser at the Vendor's sales office and subject to the provisions of this Agreement. All work will be performed in a workmanlike manner, free from defects in material and in compliance with the Ontario Building Code and is warranted in accordance with and to the extent of the provisions of the Tarion Warranty Program. All Construction Act claims for materials or services supplied to the Vendor shall be the responsibility of the Vendor. Notwithstanding the foregoing, the Vendor may substitute other materials of at least equal quality for those specified and the Vendor shall be permitted to alter the plans, dimensions and specifications, provided that such substitution or alteration shall not materially diminish the value of the Real Property or substantially objectively alter the dwelling other than as expressly permitted herein. Artists' renderings of the dwelling do not form part of the plans, dimensions and specifications.

In addition, and without limiting or being limited by the foregoing, the following alterations and adjustments may be made by the Vendor to the lot and model type selected by the Purchaser for any reason, and the Purchaser agrees that such alterations and adjustments for all purposes are minor and permissible, and the Purchaser shall accept the dwelling constructed on the Property with any or all of the following alterations and adjustments, without compensation or abatement (which alterations and adjustments the Purchaser hereby irrevocably authorizes the Vendor to complete): (a) a change in the front elevation of the Property that results in an increase or decrease in the number of steps to the front door and any change to the grading which affects or alters the steps or entry to the dwelling from the front door to the lot line of the Property; (b) the deletion or addition or relocation of any and all entry doors to the garage; (c) the relocation or the lowering of the elevation of any other entry doors into the dwelling or the elevation of the laundry area or the elimination of laundry room door(s); (d) the addition or deletion of steps into any and all of the rear yard, the side yard and the garage; (e) the installation of thresholds dividing rooms or living areas required by differences in surface elevations or floor materials; (f) the substitution of a door for a patio door, or a patio door for a door; (g) the substitution of a door or patio door for a window, or a window for a door or patio door; (h) the construction of the dwelling reversed to the layout shown on the floor plans (mirror image which may cause side windows to align with neighbouring home's windows); (i) any reduced or increased ceiling heights, the presence and/or addition of bulkheads or any reduced or increased window sizes due to grading changes or otherwise; (j) changes in the location of the furnace, fireplace, electrical box or water tank, or a change in the type of water heater (i.e. traditional or tankless water heater), or other services; (k) a reduction or increase in either (i) the total area of the dwelling of up to five percent (5%) or; (ii) the area, or a single dimension, of any one room of up to ten percent (10%), in either case when calculating area, using Tarion's published uniform method for the calculation of floor area (and in addition to the equivalency tolerances provided for by such method); (l) any changes either before or after approval of the plans imposed by the Municipality, Developer or the architectural control

architect or imposed by any architectural controls, including without limitation any change to external elevations of the dwelling or the elimination of walkout basements, lookout basements and/or rear decks; (m) the installation of catchbasins, the addition of a sump pump in the basement or a change to the locations of downspouts and splashpads, as completed in compliance with the grading and drainage requirements of the Vendor and/or the Municipality; (n) sunken foyers, rooms or other areas of the dwelling as a result of grading changes; (o) variation of rooflines which may differ from those shown on plans; (p) any other substitution by the Vendor permitted under this Agreement; and (q) any other change that the Vendor's architect in his unfettered discretion considers minor and permissible, and the statutory declaration of the architect or his employee in charge of the project shall be deemed to be conclusive and binding on the Purchaser.

If the Vendor makes any other change that is not deemed minor or permissible without compensation, the Purchaser's sole remedy shall be to complete the Closing and make a claim for compensation, measured by the reduction to the market value of the Property as of the Closing Date.

Lot sizes and dimensions are also subject to change without notice provided that they are not substantially varied and, without limiting the foregoing, any decrease of less than 10% of any single lot dimension or of less than 10% of the total lot area will not be considered a substantial variation.

The Purchaser is advised and agrees that exterior elevations, views, appearances and finishings related to the Real Property or any neighbouring properties may not be similar to pictures or renderings provided to or viewed by the Purchaser.

- (2) The Purchaser acknowledges that the Vendor makes no warranty or representation about garage sitings. The Purchaser hereby agrees to accept a dwelling with a garage situated as in the Vendor's Plan which he has previously examined, or, with a garage situated on the opposite side of the front of the dwelling, and/or with a reversed floor plan. The Purchaser further understands and agrees that the floor plan will be determined by the garage siting.
- (3) All details not specified in the contract for materials, fixtures, methods of construction or anything else, shall be at the sole discretion of the Vendor. The Purchaser understands that model suite furnishings, drapes, tracks, windows, doors, flooring, wallpaper and plants are for display purposes only and are not included in the Purchase Price, and the Property will not be identical with any model homes finished for such display purposes.
- (4) The Vendor has the right to make deviation from and to substitute materials or equipment for those described in the plans and/or specifications at the Vendor's sole discretion for any cause which it deems reasonable, provided however that such deviation, material or equipment is in quality substantially equal or better than the material in the plans and/or specifications.
- (5) The Purchaser covenants to make all choices of colour and other selections from the Vendor's standard samples in writing within seven days of notification by the Vendor as follows:
 - (i) Exterior selections, including but not limited to, colour and type of brick, colour of vinyl and/or metal siding at Vendor's sole discretion, eaves troughs, colour of exterior paint and colour of roof and colour of bathtub to be made by the Vendor's samples.
 - (ii) Interior selections, including but not limited to, colour of vanities and counter tops, carpet selection, kitchen cabinets and countertops, ceramics and colour of bathroom fixtures.
 - (iii) In the event that the Purchaser fails to make the choices as aforesaid, the Vendor shall be entitled to make such selections on behalf of the Purchaser. No changes will be permitted in colour or materials chosen by the Purchaser without the prior written consent of the Vendor. The Purchaser shall be deemed to have accepted any such items which may have been installed or completed in the dwelling as of the date of execution of this agreement.
 - (iv) In the event that any selection made is not available at the time required for installation, the Vendor reserves the right to make substitutions therefore.
 - (v) Standard selections and availability may change at any time. The Purchaser will be allowed 5 days after verbal notification to make an alternative selection failing which the Vendor shall make such re-selection.
 - (vi) Dye lots and colour variations may occur. The Purchaser will be expected to accept any material supplied if it has the same name as the one selected.
- (6) All choices to be made by the Purchaser including all type and colours to be used on the exterior of the home may be subject to approval by the Developer (for the purpose of this agreement being the Vendor, if applicable, any party from whom the Vendor has purchased the Real Property and/or any predecessor in title to the Real Property who has entered into obligations with the Municipality as hereinafter defined for subdivision or servicing of the Real Property or any other party who may have rights over architectural control of the dwelling) and/or the Vendor, in the Vendor's sole discretion. Failure of approval by the Developer and/or Vendor, where required, will result in required reselection by the Purchaser within 5 days after receiving verbal notice.
- (7) The Purchaser will be permitted to visit the dwelling referred to herein only with the express prior authorization of the Vendor, which may be arbitrarily withheld. Hard hats and work boots should be worn at all times. The Vendor declares that the Property may not be safe until the Closing Date and any visits are at the Purchaser's own risk, and the Vendor shall not be liable for any injury that may occur.
- (8) The Vendor has the right to remove or reverse any material, work or equipment, provided by the Purchaser, or by some one on behalf of or at the request of the Purchaser, without the prior written authorization of the Vendor. The Purchaser shall bear the cost of such removal or reversal, and pay the Vendor \$500.00, plus all taxes thereon, as liquidated damages and not as a penalty.

The Vendor has the right to allow such material, work or equipment or any part thereof, to remain, and to charge the Purchaser an amount that the Vendor determines, in its sole discretion, to be the amount it would have charged to give its prior written authorization to the Purchaser, plus \$500.00, plus all taxes thereon, as liquidated damages and not as a penalty.

- (9) In the event the Purchaser fails to advise the Vendor forthwith upon request as to the Purchaser's selection of finishing specifications, or orders any extras or upgrades, or performs any work in or about the dwelling, or fails to deliver any document or acknowledgement, or takes or omits to take any action which causes delay in the Vendor's construction operations or in the Closing Date, resulting in the Vendor being required, in accordance with the Addendum to set a Delayed Closing Date, the Vendor shall have the right to require that all adjustments shall be as of the date set for Closing prior to the required extension and to add as an adjustment on Closing the sum of \$150.00 per day for each day of extension together with an amount equal to interest on the unpaid balance of the Purchase Price at the prime rate of interest charged by the Vendor's bank plus 5% per annum, for the period of time that the Closing Date was delayed by reason of any or all of the foregoing.

B. COMPLETION OF CONSTRUCTION

- (1) In the event that conditions do not permit the completion of any work, the Purchaser agrees to close the transaction and pay the full balance due on the Closing Date, having listed on the Tarion Warranty Corporation (the "Warranty Program") Certificate of Completion and Possession (the "Completion Certificate") the uncompleted work. Notwithstanding the Closing of the transaction or the granting of occupancy, the Purchaser agrees that the Vendor or its duly authorized agents may enter upon the Real Property in order to finish any operations. The Purchaser agrees that the Vendor shall complete any unfinished work on the dwelling itself within one year after the Closing Date and shall complete any other work within three years of the Closing Date.
- (2) The Purchaser authorizes the Vendor, the Developer, any municipal corporation or corporations whether local or regional having jurisdiction over the Real Property (each of which is herein referred to as the "Municipality"), utility or service supplier or their servants or agents, without charge, to enter upon the Real Property to inspect, repair, complete or rectify any construction, grade and undertake modification to surface drainage, including installations of catch basins, or for any other purposes required by the subdivision agreement or any other agreement until the later of ten (10) years after the Closing Date and complete assumption of the subdivision by the Municipality and the Purchaser further agrees to execute if necessary any easement to be granted for the installation and/or maintenance of such Municipal or other utility service. The Vendor may re-enter to remedy at the Purchaser's expense any default by the Purchaser. The Transfer herein may contain any or all of the foregoing covenants and any of the provisions of this Agreement.
- (3) Acceptance of construction, siting and grading by the Municipality shall conclusively constitute acceptance by the Purchaser. The Purchaser

agrees to execute all documents both before and after Closing as may be required by the Vendor or the Municipality with the acceptance of the subdivision as a whole by the Municipality.

- (4) The Purchaser acknowledges and agrees that various equipment, signage and infrastructure, including among other things, telecommunication and/or hydro pedestals and equipment, community mailboxes, streetlights, fire hydrants, and bus stops and/or shelters, may be located immediately in front of the Real Property on the municipal boulevard and may be visible from the dwelling and will not be cause for an abatement of the Purchase Price or any other claim of any kind by the Purchaser.

C. EXTRAS

- (1) The Purchase Price shall include all works as set forth in Schedule "A" hereto attached. It is understood and agreed that certain items in the model homes are for display purposes only and are not included in the Purchase Price. The cost of all extras or changes listed in Schedule "B" are included in the Purchase Price.
- (2) Extras shall be paid for in advance and such payment shall not be refunded if this transaction is not completed by reason of the Purchaser's default. If this Agreement is terminated in circumstances in which the deposit monies are to be returned to the Purchaser, any amount paid for extras shall also be returned. If any of the extras or changes ordered are cancelled by the Purchaser prior to when the Vendor orders the necessary materials from its suppliers, then the Vendor shall credit the Purchaser on Closing 70% of the value of such extra or change. If any of the extras or changes ordered by the Purchaser are either not supplied or are supplied in a lesser quantity than was ordered, then the Vendor shall credit the Purchaser upon Closing the amount paid by the Purchaser in connection with such extras or changes not supplied, as determined by the Vendor. The amount so credited shall be acceptable to the Purchaser as full and final settlement of any claim by the Purchaser with respect to such extras or changes and the Purchaser acknowledges that the Vendor's liability with respect to such extras or changes shall be limited to the credit of the amounts referred to aforesaid and upon such credit being given, the Vendor shall be released from any and all obligations, claims or demands whatsoever with respect thereto.

D. POSSESSION

- (1) In no event shall the Purchaser be entitled to obtain possession of the dwelling unless and until the Completion Certificate has been executed by the Purchaser. If the Purchaser shall fail to execute the Completion Certificate prior to the Closing Date, the Vendor shall have the unilateral right and option of terminating this Agreement, whereupon all monies paid hereunder as deposits or otherwise shall be forfeited to the Vendor as liquidated damages, and not as a penalty, in addition to (and without prejudice to) any other rights or remedies available to the Vendor, and the Vendor shall be released from all obligation hereunder, or may complete the transaction on the Closing Date and shall be entitled to either: (a) refuse to allow possession of the Property by the Purchaser until such Completion Certificate has been duly executed; or (b) complete the Completion Certificate on behalf of the Purchaser, and in such case, the Purchaser hereby irrevocably constitutes and appoints the Vendor (acting by any officer of the Vendor or any other party as may be directed by the Vendor) to be and act as the Purchaser's lawful attorney to complete and sign the Completion certificate in the Purchaser's name, place and stead in accordance with the provisions of the Powers of Attorney Act. The Purchaser agrees that such uncompleted items as are included in the Completion Certificate, when executed by the Vendor, represent the balance of work to be completed by the Vendor with respect to the dwelling unit and the Purchaser agrees that no further requests for completion of items may be maintained by the Purchaser and this shall serve as a good and sufficient release of the Vendor in this regard.
- (2) The Purchaser agrees to occupy the dwelling forthwith after closing. The Purchaser agrees not to finish the whole or any part of the basement of the dwelling for a period of 24 months after closing or such longer period which is equivalent to the warranty period under the Warranty Act for basement repairs. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of water damage to basement improvements and chattels stored in basement resulting from water seepage or leakage, including any consequential damages arising therefrom.
- (3) In the event that after taking possession of the dwelling, the Purchaser shall complete and/or install any improvements, additions or alterations thereto, including, but not limited to, finishing basement, wallpapering, cabinetry and/or mouldings and/or finishings, porch tiles or finishes, pools or hot tubs the Purchaser shall be required to remove such improvements, additions or alterations at his own expense, in the event that the Vendor shall be required to carry out any repairs or replacements to the dwelling in the area of such improvements, additions or alterations.
- (4) All details not specified in the contract for materials, fixtures, methods of construction or anything else, shall be at the sole discretion of the Vendor.
- (5) All model homes are sold exactly as viewed. Any defects in workmanship or materials is accepted by the Purchaser and the Purchaser acknowledges that no change/repairs or other work shall be required except for these specifically stated in this agreement.

E. WARRANTY

- (1) NO WARRANTY of the Vendor shall apply to any material, supplies or work performed by the Purchaser or anyone on his behalf.
- (2) The Vendor shall not be responsible for performing or undertaking any Manufacturer's Warranty or Guarantee for any machinery or equipment installed in the said dwelling unit.
- (3) The Vendor hereby warrants that the premises are or will be enrolled under the Warranty Program. The Purchaser covenants and agrees to attend at the premises during the Vendor's normal business hours prior to the Closing Date and to complete an inspection of the premises in the presence of the Vendor's authorized representative and to complete and execute at the time of such inspection the Completion Certificate which Completion Certificate shall contain a list of any items remaining to be completed at the premises. The Purchaser acknowledges that the Completion Certificate when executed by the Vendor together with the Ontario New Home Warranty itself under the Warranty Program shall constitute the Vendor's only undertaking to remedy or complete the premises and no further undertaking shall be delivered on Closing or otherwise.
- (4) The Ontario New Home Warranty shall constitute the Vendor's only warranty, express or implied, in respect of any aspect of construction of the dwelling and further shall be the full extent of the Vendor's liability for defects in materials or workmanship or damage, loss or injury of any sort, delay or otherwise with respect to the dwelling, the Real Property and the relationship between the Purchaser and the Vendor, whether arising in tort or in contract.
- (5) Notwithstanding the Closing of this transaction and the delivery of title to the Property to the Purchaser, and for a period of three (3) years thereafter, the Vendor or any person authorized by it shall be entitled to all reasonable times and upon reasonable prior notice to the Purchaser to enter upon the lands and premises in order to make inspections or to do any work or repairs therein or thereon which may be deemed necessary by the Vendor in connection with the completion, rectification or servicing of any installation in the dwelling or any other property.
- (6) The Purchaser is advised that a Homeowner Information Package is available from the Tarion Warranty Corporation, and the Vendor shall deliver a copy of the package to the Purchaser at or before the inspection referred to in paragraph E(3), above.
- (7) The failure of the Purchaser to permit the Vendor or its agent(s) to enter the premises post-closing to complete any items for which the Vendor is responsible pursuant to this Agreement, shall be conclusive proof that the Purchaser is completely satisfied with the condition of the premises and the Vendor is forever released from conducting further remedial work.
- (8) Notwithstanding and in addition to any other provision of this Agreement, the failure by the Purchaser to make any payment to the Vendor pursuant to this Agreement, either before or after Closing as the case may be, shall stay any and all warranties given pursuant to this Agreement until such time as the said payment is made in full to the Vendor.
- (9) The Vendor warrants that it is not and at the time of Closing herein shall not be a non-resident of Canada within the meaning of Section 116 of The Income Tax Act.

F. SURVEY

- (1) The Vendor shall provide the Purchaser on Closing with a survey showing the location of the dwelling on the said lot.

G. ADJUSTMENTS

- (1) Realty taxes, local improvement charges, fuel, water and assessment rates are to be apportioned and allowed to the Closing Date, with the day of Closing being the Purchaser's responsibility. With respect to realty taxes (including local improvement charges) the same shall be estimated by the Vendor and at the Vendor's option may be adjusted as if the Property had been fully completed, separately assessed (including any supplementary assessment with respect thereto), and fully paid by the Vendor for the calendar year in which the transaction is completed and for the succeeding year, notwithstanding that same may not have been levied, assessed and/or paid (in whole or in part) by the Closing Date, subject however, to readjustment upon the actual final, separate assessment of such taxes being available for the Property as fully completed. Municipal realty tax re-assessments and/or supplementary tax bills relating to the dwelling constructed on the Property issued subsequent to the Closing Date shall be the sole responsibility of the Purchaser.
- (2) The Purchaser agrees to pay and/or reimburse the Vendor on Closing for the costs of the Warranty Program enrolment fee or other similar fee paid by the Vendor for the dwelling under Tarion, the HCRA or similar regulatory body or agency, and for the costs of connecting the hydro, gas and water services and the costs of their respective meters. The Purchaser agrees to pay and/or reimburse the Vendor on Closing for the registration of any restrictive covenants, including covenants required by the Developer, as well as maintenance easements, in addition to its Transfer. Purchaser shall be responsible for and pay or reimburse the Vendor if previously paid by the Vendor, any amounts payable for account set up or transfer of ownership or similar fees with respect to the tax and/or any utility accounts for the Property. The Purchaser agrees to pay and/or reimburse the Vendor on Closing for the release of registered restrictions, if applicable. The Purchaser agrees to pay and/or reimburse the Vendor on Closing for any recycling containers (including without limitation Blue boxes, Green Bins and kitchen collectors) provided to the Purchaser. The Purchaser also agrees to pay and/or reimburse the Vendor on Closing for any amount paid to or on behalf of Canada Post with respect to the installation and activation of the community mailboxes and addresses in the development. If the Vendor is required to install, pay for and/or contribute to the cost of boulevard tree planting, landscaping or fencing along the lot line or the Property or a retaining wall, the Purchaser shall pay and/or reimburse the Vendor as an adjustment on Closing for the costs thereof. In the event that the Municipality requires the installation of air conditioning in the dwelling, the Purchaser agrees to pay the Vendor the costs thereof as an adjustment on Closing. The Purchaser shall, on the Closing, pay the Lawyers' Professional Indemnity Company transaction levy fee that is levied against the Vendor's solicitor. None of the aforementioned charges or the taxes thereon are included in the Purchase Price, and the Purchaser covenants and agrees to pay such taxes to the Vendor in accordance with the legislation relating to the payment of such taxes. The amount to be paid by the Purchaser for any of the foregoing adjustments or any other adjustments and any other adjustments in this Agreement (unless otherwise specified), are to be determined by a statutory declaration sworn on the part of the Vendor which the Purchaser agrees to accept as the sole and absolute proof thereof and to which the Purchaser agrees to be bound.
- (3) In addition to the Purchase Price, the Purchaser agrees to pay the Vendor on Closing an amount to be estimated by the Vendor as a security deposit for the performance of the Purchaser's grading and subdivision service damage covenants under this Agreement. The security deposit so paid shall be held by the Vendor until complete acceptance of subdivision services by the Municipality, the release of all bonds or security therefor and the release of all obligations of the Vendor and the Developer under the Development Requirements (defined below) therefor.
- (4) In the event that the Municipality, the regional municipality, the board of education, the school board or any other authority having jurisdiction at any time after the acceptance of this offer, imposes a levy, development charge or education development charge, parkland levy or any other monetary obligation of any kind (herein severally and collectively called the "New Levy") for capital programs or otherwise, for schools or health services or any other services howsoever imposed, including an imposition pursuant to the provisions of the Development Charges Act, as amended from time to time, or increase the cost of any existing levy, development charge or education development charge, parkland levy or any other monetary obligation (the "Increased Levy"), and such New Levy or Increased Levy thereof is paid or requested to be paid by the Vendor, the Purchaser agrees to pay the New Levy or Increased Levy to the Vendor as an adjustment on Closing plus any applicable taxes thereon. The amount of the New Levy and Increased Levy shall be determined by a statutory declaration sworn on the part of the Vendor which the Purchaser agrees to accept as the sole and absolute proof thereof and to which the Purchaser agrees to be bound.
- (5) The Purchaser shall pay to the Vendor, as an adjustment on Closing, the amount of any increases in construction costs or additional expenses expended or incurred by the Vendor for the completion of the dwelling or Property and which are over and above those costs or expenses contemplated as at the date of the acceptance of this offer, and which costs or expenses arise as a result of and/or caused by changes to the Ontario Building Code or any other federal, provincial, municipal or other governmental or utility authority requirement or obligation (any such increase or additional expense plus any applicable taxes thereon being collectively referred to as the "Added Construction Cost"). The amount of the Added Construction Cost shall be determined by a Statutory Declaration sworn on the part of the Vendor, which the Purchaser agrees to accept as the sole and absolute proof thereof and to which the Purchaser agrees to be bound.
- (6) The Vendor shall have the option to collect and remit the retail sales tax, if any, payable by the Purchaser on any adjustments and on chattels which are purchased in this transaction (in addition to any amounts specified herein for such adjustments or chattels) as a charge on Closing and the allocation of such chattels may be estimated by the Vendor.
- (7) All proper readjustments shall be made after Closing, if necessary, forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations described in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty (20%) percent per annum, calculated daily, not in advance and shall be a charge on the Property until paid and such charge shall be enforceable in the same manner as a mortgage in default.

H. PURCHASER FURTHER COVENANTS AND AGREES

- (1) It is understood and agreed that the Vendor may supply and install certain rental equipment such as (but not limited to) a hot water heater and tank, furnace, air conditioner, water meter, gas meter, electricity meter, heat recovery ventilator ("HRV") or enthalpy recovery ventilator ("ERV") (the "Rental Equipment"), and that the Rental Equipment shall not be included in the Purchase Price and shall remain chattel property. The Rental Equipment and any other equipment identified elsewhere in this Agreement as leased or rented is not included in the Purchase Price and shall remain chattel property and not become a fixture or part of the dwelling unit and is owned by the Vendor's designated Rental Equipment supplier who has a security interest in the Rental Property and who may, at its option, proceed to register a notice of its security interest. The Purchaser agrees to execute a rental agreement with the Vendor's designated Rental Equipment supplier on that supplier's usual form and on its usual terms and to deliver such agreement and any other documents required by the Rental Equipment supplier on or before Closing. The Purchaser agrees to take all necessary steps to assume immediately on Closing charges for hydro, gas, water and other services and the Vendor may recover any payments therefor from the Purchaser.
- (2) The Purchaser agrees to indemnify and save harmless the Vendor in respect of any construction lien or lien for extra optional or changes in work done, material supplied or installed to or for the premises or the Real Property specifically requested by the Purchaser. In the event the Purchaser shall receive written notice of a lien or a lien is registered for such work done, material installed or supplied, the Purchaser shall within 15 days of receiving written notice to such effect whether from the Vendor or lien claimant causes such lien to be discharged or vacated forthwith, failing which the Vendor may pay directly to the lien claimant the amount claimed plus costs and deduct same from the deposit held by the Vendor on account of the purchase price and may further at its option treat this Agreement at an end claiming any deficiency from the Purchaser or returning any monies owing.
- (3) The Purchaser will not change, interfere with, obstruct or alter the premises or alter the grades, elevations or levels of the Real Property or swales established by the Vendor in any way which would affect the approved drainage pattern and any such change, interference or alterations may be remedied by the Vendor at the Purchaser's expense.
- (4) The Purchaser shall not, nor shall anyone claiming through or under him, register this agreement, or any assignment, caution or notice

thereof or any claim whatsoever or a certificate of pending litigation on title to the Real Property, until Closing. Any breach by the Purchaser of the provisions of this paragraph shall entitle the Vendor, in addition to any other remedies available to the Vendor, to give notice to the Purchaser declaring this agreement to be forthwith null and void and the Vendor shall be entitled to retain the deposit monies as liquidated damages and not as a penalty in addition to and without prejudice to any other remedy available to the Vendor arising out of such default and the Purchaser shall have no further right to or interest in the Property, and the Purchaser hereby irrevocably appoints the Vendor (acting by any officer of the Vendor or any other party as may be directed by the Vendor) their true and lawful attorney for the purpose of removing any registration from title in accordance with the provisions of the Powers of Attorney Act, and the Purchaser shall bear all costs incurred by the Vendor in the exercise of this power of attorney .

- (5) The Purchaser will not alter the grading of the Property contrary to the municipally approved drainage pattern, and provided that lot grading has been completed in accordance with the municipally approved drainage and/or grading control plan, the Purchaser is estopped both from objecting thereto and from requiring any amendments thereto. If the Vendor has not undertaken to pave or finish the driveway pursuant to this Agreement, the Purchaser shall not pave or finish the driveway without the prior written consent of the Vendor and the prior written consent of the Developer and the Municipality, if required by the subdivision agreement or any other municipal agreement. Following such approval and prior to completing the driveway, the Purchaser shall notify the Vendor in writing so that water keys/boxes can be located and raised, if necessary. The Purchaser agrees that neither the Purchaser nor their successors or assigns shall, without the prior written authority of the Vendor and the Developer (which may be arbitrarily withheld), erect fences, curbs, retaining walls, landscape rocks, trees, shrubs, gazebos or other structures, clothes lines, decks, swimming pools or any obstruction, permanent or semi-permanent whatsoever until a grading certificate has been completed and notice received by the Purchaser and after the Purchaser has made application (if applicable) for any permits required for such work to the Municipality or any other authority with jurisdiction. After a grading certificate has been issued, the Purchaser shall erect no structure that interferes with the Municipally approved drainage pattern, interferes with or alters any drainage ditch, obstructs the natural flow of water, or obstructs the drainage as designed and engineered by the Developer, and the Purchaser shall not remove or add top soil or subsoil, or do anything which may change or alter the grading or obstruct the drainage of the Real Property or surrounding lands in any way and if the Purchaser does, the Vendor or its servants, agents, successors and assigns may enter thereon and correct such grading or remove such obstructions at the Purchaser's expense and be paid forthwith upon demand of the cost thereof.

The Purchaser shall adhere to the overall drainage patterns of the subdivision, including such easements as may exist or may be required for the purpose of water drainage upon the Real Property, to and from adjoining lands, and the Purchaser agrees to grant such easements as may be required from time to time by the Vendor or Developer for drainage purposes. The foregoing covenants may be at the option of the Vendor included in any Transfer to the Purchaser and shall run with the lands. The Purchaser further agrees that he shall solely be responsible for watering and general maintenance of sod from the date of Closing or from the date the sod is laid whichever shall be the later, and the Vendor shall have no obligation in that regard whatsoever. If the Vendor is required to replace any sod as a result of the Purchaser's default hereunder, the Vendor shall not be obliged to do so until payment has been made therefor in full to the Vendor by the Purchaser. The sod will be laid within three years after the Closing Date.

- (6) The Purchaser agrees that notwithstanding Closing all the Purchaser's covenants and agreements set forth in this agreement shall not merge but shall survive Closing. The Purchaser agrees to give to the Vendor any further written assurances as to this paragraph or any of the Purchaser's covenants as set forth in this Agreement, in a form chosen by the Vendor, either before or after Closing.
- (7) The Purchaser acknowledges being a "home buyer" under the Construction Act and will not claim and is not entitled to claim any construction lien holdback on Closing.
- (8) The Purchaser covenants to reimburse the Vendor for any amount which the Vendor may be obliged to pay for damage caused or alterations made by the Purchaser, or those for whom it is in law responsible, to any services installed within the Plan of Subdivision, including survey stakes, landscaping and grading, curbs, curb cuts, streets, roads, sidewalks, street signs, street lighting, sanitary and storm sewers, water shut-off valves, trees and any underground services installed by or on behalf of any public or private utilities, and the Vendor shall have the right to register a lien on title to secure such payment.
- (9) The Purchaser agrees to permit access to the Vendor on the subject land after Closing in order that the Vendor may carry out construction and/or service of other dwellings in the Subdivision Plan as long as necessary.
- (10) The Purchaser covenants to consent to any application that may be made by the Developer or Vendor for a rezoning of certain blocks or lots or parts thereof, laid down by the Subdivision Plan, adjacent to or near the lands laid down by the Subdivision Plan. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Property and to assign the benefit of such covenant to the Vendor.
- (11) The Purchaser acknowledges that due to the nature and extent of construction work which will be required to be undertaken by the Vendor on the Property in connection with the excavation, erection, and construction of the dwelling, one or more trees may be removed from the Property and others may or will suffer damage or destruction both before and after Closing, as a result of the removal, interference or the destruction of roots, contact with the trunk by equipment or machinery or otherwise. The Purchaser hereby acknowledges, covenants and agrees that the Vendor shall not be responsible or liable in any manner, whatsoever, for any loss or destruction to trees or for any loss or destruction to the property of the Purchaser howsoever caused nor shall the Vendor be responsible or liable for the removal of any trees or parts thereof, from the Property, at any time, whatsoever. It is understood and agreed that the Vendor has made no representation or warranty, whatsoever, regarding the preservation, removal, condition or health of trees on the Property.
- (12) If this Agreement is for the purchaser of a semi-detached or townhouse dwelling, the Purchaser covenants and agrees to use or permit to be used no roofing material of a different colour than the original applied by the Vendor, for a period of 15 years from the date on which the Plan of Subdivision is registered, and to apply or permit to be applied no paint colour that differs from the original, on the soffit, fascia, eavestroughing, downspouts, exterior window trim or doors, for a period of 15 years from the date on which the Plan of Subdivision is registered. Any changes to the aforementioned by the Purchaser shall result in the forfeiture of the security deposit and the Purchaser shall reimburse the Vendor for any costs over and above said deposits resulting from the aforementioned Purchaser's changes. The Purchaser acknowledges and agrees that in the event the dwelling being purchased herein is a semi-detached or townhouse dwelling unit, the lot or block upon which such dwelling unit is constructed will not necessarily be divided equally but may instead be divided in unequal proportions. The Purchaser agrees to accept any such unequal division of such lot or block without any abatement of the Purchase Price or claim for compensation whatsoever.

I. TITLE/CONTRACT

- (1) The Purchaser accepts title to the property subject to all "Development Requirements" which shall include all subdivision or other agreements, covenants and restrictions (which restrictions may include the power to waive or vary), easements, licenses and rights required or imposed by the Vendor, the Developer, the Municipality, provincial or federal government authorities or other development approval authorities including among others, utilities, railways, pipeline companies and transit authorities. The Purchaser shall accept title subject to and shall comply with all Development Requirements provided there does not exist default thereunder and provided that the Purchaser's use of the real property for residential purposes is permitted and if required by the Vendor the same shall be included in the Transfer herein.
- (2) If any of the easements or encroachments or any restrictions or other rights under the Development Requirements referred to in (1) above are required to be created after Closing (including such rights as may be required for another nearby property or other nearby properties owned or purchased by the Vendor from time to time) the Purchaser shall execute any documents needed as determined by the Vendor in its sole and absolute discretion. The Purchaser agrees that the Vendor shall not be required on Closing or thereafter to obtain releases of or evidence of compliance with any such Development Requirements.
- (3) The Purchaser acknowledges that the Development Requirements may require the Vendor to provide the Purchaser with certain notices or warnings, including, but not limited to, land usage, maintenance of municipal fencing, school transportation, noise levels from adjacent roadways, noise and/or vibration levels from nearby railway lines, environmental issues, the absence of door-to-door mail delivery, the location of community mailboxes or "super mailboxes", and in general, any other matter that may be deemed by the Municipality or other development approval authorities to inhibit the enjoyment by the Purchaser of this Property including without limiting the generality of the

foregoing the notices hereinafter set out, and the Purchaser agrees to be bound by the contents of any such notices and covenants to execute forthwith upon request, an acknowledgement containing such notice if and when requested to do so by the Vendor. The Purchaser should inquire of the Municipality and other development approval authorities whether the applicable subdivision agreements and other Development Requirements contain special warnings, construction or servicing requirements, easements, fences or berms or other matters affecting the Real Property.

- (4) The Purchaser agrees to advise the Vendor's solicitors no later than thirty days prior to the Closing Date how title will be taken, failing which the Vendor is hereby directed to convey title to the Purchaser named in this Agreement. The Purchaser acknowledges and agrees that the Purchaser shall only have the right to direct title into the name of all persons or entities who are contractually bound as a Purchaser pursuant to this Agreement. In the event that the Purchaser wishes to vary the manner in which the Purchaser previously requested to take title to the Property, then the Purchaser hereby covenants and agrees to pay to the Vendor's Solicitor the legal fees, administrative charges and ancillary disbursements which may be incurred or charged by the Vendor's Solicitor in order to implement the change so requested by the Purchaser, but without there being any obligation whatsoever on the part of the Vendor to approve or to implement the change so requested. The Purchaser acknowledges and agrees that the Vendor shall have the right to accept or refuse such a request to direct title in its sole, absolute and unfettered discretion and to impose such conditions on acceptance as it requires.
- (5) Provided the title is good and free from all encumbrances, except as aforesaid, the Purchaser is not to call for the production of title, deed, transfer, abstract, survey or other evidence of title. The Purchaser is to be allowed thirty (30) days after the date of acceptance hereof, to examine the title at his own expense. If within that time any valid objection to title is made in writing to the Vendor which the Vendor shall be unwilling or unable to remove and which the Purchaser will not waive, this agreement shall, notwithstanding any intermediate acts or negotiations in respect of such objections, be null and void and the deposit(s) shall be returned to the Purchaser (except herein before provided) without interest and the Vendor shall not be liable for any costs or damages whatsoever. Save as to any valid objection so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property.
- (6) The Transfer is to be prepared at the Vendor's expense and may contain any one or more of the provisions set forth herein and shall, if so required by the Vendor, be executed by the Purchaser on behalf of himself, his heirs, executors, administrator, successors and assigns. Each party shall pay the cost for registration and taxes on his own documents. Title may be conveyed directly from the Developer to the Purchaser. If title is so conveyed, and if the Vendor so requests, the Purchaser shall execute and deliver on Closing an acknowledgement in the Vendor's form that the Developer is not the builder and has no liability to the Purchaser as such.
- (7) Time shall in all respects be of the essence in this Agreement provided that the time for doing and completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by the Vendor and the Purchaser or by their respective solicitors who may be specifically authorized in that regard.
- (8) The Purchaser acknowledges and agrees that architectural control of external elevations, driveway construction, boulevard tree planting, landscaping, acoustical barriers, corner lot fencing (including the location of such acoustical barriers and corner lot fencing), exterior colour schemes, corner lot, priority lot and rear lot treatments, or any other matter external to the Dwelling designed to enhance the aesthetics of the community as a whole, may be imposed by the Municipality and/or the Developer. In the event the Vendor is required, in compliance with such architectural control requirements, to construct an external elevation for this Dwelling other than as specified in the Agreement, or amend the driveway construction, boulevard tree planting or landscaping plan for this Dwelling, the Purchaser hereby irrevocably agrees to accept such amended elevation in lieu of the elevation specified in this Agreement, and the Purchaser agrees to pay the additional costs incurred in connection with such changes as an adjustment on Closing. The amount to be paid by the Purchaser pursuant to this subparagraph as an adjustment on Closing is to be determined by a statutory declaration sworn on the part of the Vendor which the Purchaser agrees to accept as the sole and absolute proof thereof and to which the Purchaser agrees to be bound. The Vendor shall have the right, in its sole discretion, to construct the hereinbefore described Dwelling either as shown on the sales brochures, renderings and other plans and specifications therefor reviewed and approved by the Purchaser, or to construct such Dwelling on a reverse mirror image plan, including reversal of garage siting and reversal of interior floor plan layout. Construction of a reverse mirror image Dwelling plan is hereby irrevocably accepted by the Purchaser without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligations as to construction of the Dwelling type hereinbefore described. Further, in the event the Vendor determines, at its sole discretion, to construct the Dwelling at a grade level, or in a location or angle different than as depicted in the sales brochures, renderings and other plans and specifications therefor reviewed and approved by the Purchaser, necessitating a step or series of steps to the front door, side door, rear door, or any door from any garage that is connected to the dwelling and leading to the interior of the dwelling (notwithstanding that such step, landing or series of steps may encroach into the garage parking area and/or affect the interior floor area of the dwelling adjacent to such step, landing or series of steps), or to relocate and/or remove any side door, rear door or door from the garage that is connected to the dwelling and leading to the interior of the Dwelling, the Purchaser hereby irrevocably agrees to accept such changes without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligation as to construction of the Dwelling type hereinbefore described. The Purchaser acknowledges that corner lots and priority lots may have special treatments which may require window changes and minor interior modifications to balance and improve elevations of the Dwelling exposed to the street, and the Purchaser accepts such changes. The Vendor reserves the right to alter the design and/or layout of the Dwelling and the exterior elements as may be required to facilitate changes in the structural, mechanical or electrical components of the Dwelling or as required due to the relocation of any necessary servicing easements as the Vendor in its sole discretion may deem necessary or appropriate. The Purchaser is notified that roof lines may vary due to siting, grading and paving conditions, and structural roof framing conditions, and may not be exactly as shown on the sales brochures, renderings and other plans and specifications previously viewed by the Purchaser.
- (9) The Purchaser acknowledges and agrees that complete engineering data in respect of the Municipally approved final grading of the Property may not, as yet, be complete and accordingly, it may not be possible to construct a dwelling unit with a walkout basement or lookout basement or rear deck where so indicated in this Agreement, or, it may be necessary to construct a dwelling unit with a walkout basement or lookout basement or rear deck where it is not indicated in this Agreement. In the event this Agreement does not call for one or more of a walkout basement or lookout basement or rear deck and one or more of the same is required pursuant to the approved final grading plans, the Vendor shall have the right to construct the dwelling unit with a walkout basement or lookout basement and/or rear deck as required pursuant to the approved final grading plans and the Purchaser agrees to pay the additional cost involved in constructing the walkout basement or lookout basement and/or rear deck, as the case may be as an adjustment on Closing. In the event this Agreement calls for one or more of a walkout basement or lookout basement or rear deck and one or more of the same cannot be constructed pursuant to the approved final grading plans, the Vendor shall have the right to construct the dwelling unit without such walkout basement or lookout basement or rear deck that cannot be constructed pursuant to the final approved grading plan and the Purchaser shall accept a credit for same as an adjustment on Closing. In the event this Agreement calls for a rear deck but not a walkout basement or lookout basement and a rear deck cannot be constructed pursuant to the approved final grading plans, the Vendor shall have the right to construct the dwelling unit with a walkout basement or lookout basement in accordance with the approved final grading plans and the Purchaser agrees to pay the additional costs involved constructing a walkout basement or lookout basement as the case may be as an adjustment on Closing. The amount to be paid by or credited to the Purchaser pursuant to this subparagraph as an adjustment on Closing is to be determined by a statutory declaration sworn on the part of the Vendor which the Purchaser agrees to accept as the sole and absolute proof thereof and to which the Purchaser agrees to be bound.
- (10) Any tender of documents or money hereunder may be made upon the Vendor or the Purchaser or the solicitor acting for the said Vendor or Purchaser and money may be tendered by negotiable cheque certified by a chartered bank or trust company. The balance due on closing shall be paid by certified cheque on the Closing Date drawn on an Ontario lawyer's trust account in favour of those parties as may be directed by the Vendor and/or its solicitors. The Purchaser shall only receive a credit for amounts actually received by the Vendor or the Vendor's solicitors pursuant to this Agreement. Any wire transfer fees or other bank or other charges deducted or paid out of Purchaser deposits or other monies paid by or on behalf of the Purchaser hereunder shall likewise be deducted from the corresponding amount to be credited to the Purchaser.
- (11) In the event that the electronic registration system is operative in the applicable Land Registry Office in which the Lands are registered, then, at the sole option of the Vendor, the following provisions shall prevail, namely:
 - (i) The Purchaser shall be obliged to retain a lawyer, who is both an authorized user of the electronic registration system and in good standing with the Law Society of Upper Canada, to represent the Purchaser in connection with the completion of this transaction,

- and shall authorize such lawyer to enter into an escrow closing agreement with the Vendor's solicitor on the latter's standard form (the "Escrow Document Registration Agreement"), establishing the procedures and timing for completing this transaction.
- (ii) The delivery and exchange of documents, monies and keys to the Property, and the release thereof to the Vendor and the Purchaser, as the case may be: (a) shall not occur contemporaneously with the registration of the Transfer (and other registerable documentation); and (b) shall be governed by the Escrow Document Registration Agreement, pursuant to which the solicitor receiving the documents, keys and/or certified funds will be required to hold same in escrow, and will not be entitled to release same except in strict accordance with the provisions of the Escrow Document Registration Agreement.
 - (iii) The Purchaser expressly acknowledges and agrees that he or she will not be entitled to receive the Transfer to the Property for registration until the balance of funds due on Closing, in accordance with the statement of adjustments, are remitted by negotiable cheque certified by a chartered bank or trust company together with any documents not intended for registration on title, duly and properly executed, by personal delivery to the Vendor's solicitor (or in such manner as the latter may direct), by 2:00 p.m. on the Closing Date;
 - (iv) The Purchaser acknowledges and agrees that the Vendor may deliver any documents not intended for registration on title to the Property to the Purchaser by telefax transmission (or by a similar system reproducing the original or by electronic transmission of electronically signed documents through the internet), provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto which may be by electronic signature. The Vendor shall also deliver the original of same (unless the document is an electronically signed document) to the Purchaser within 7 business days of Closing.
 - (v) Notwithstanding anything contained in this agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by the Vendor upon the Purchaser when the Vendor's solicitor has: (a) delivered all closing documents and/or keys to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement; (b) advised the Purchaser's solicitor, in writing, that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this agreement; and (c) has completed all steps required by the electronic registration system in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor, without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents and/or keys, and without any requirement to have an independent witness evidencing the foregoing.
- (12) The Purchaser acknowledges and agrees that the Vendor may, at its option, utilize an internet-based or other electronic document delivery system (the "Delivery System") in order to deliver closing and other documents to the Purchaser's solicitor. Accordingly, the Purchaser acknowledges and agrees that the Vendor's delivery of some or all documents may be made electronically through the Delivery System to the Purchaser's solicitor. Such delivery shall be made and completed upon the Vendor or its solicitor uploading any such documentation to the internet such that it is available for downloading (and printing if desired) by the Purchaser's solicitor. Alternatively, at the Vendor's option, the Vendor or its solicitor may email such documentation directly to the Purchaser's solicitor. Delivery by either such means shall be acceptable and effective for all purposes under this Agreement. The Purchaser shall pay the Vendor as an adjustment on Closing for the costs incurred by the Vendor in using the Delivery System. In addition, if the Purchaser does not retain a lawyer in good standing who is able and willing to access the Delivery System or accept delivery of emailed documents in advance of Closing (if requested to do so) the Purchaser shall pay the Vendor (as an additional adjustment on Closing, at the Vendor's option) the sum of \$372.50 plus HST as a fee for the additional time and disbursements thereby caused to the Vendor.
 - (13) The lands and premises shall be and remain at the risk of the Vendor until Closing and pending completion of the sale, the Vendor will hold all insurance policies and proceeds thereof in trust for the parties as their interest may appear and, in the event of damage or destruction of the premises, the Vendor may in its absolute discretion decide whether to rebuild or repair such damage or terminate this agreement and upon returning to the Purchaser the deposit, the Vendor's liability will be at an end.
 - (14) Failure of the Vendor to exercise any of its rights under this Agreement at any time shall not act as a waiver of such rights.
 - (15) The within transaction shall be conditional upon compliance with the subdivision control provisions of The Planning Act of Ontario and amendments thereto, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
 - (16) The Purchaser agrees that this Agreement shall be subordinated to and postponed to the mortgage(s) arranged by the Vendor and/or the Developer and any advances made thereunder from time to time, and to any easements or agreements referred to herein to which title may be subject. The Purchaser agrees to execute all necessary documents and assurances to give effect to the foregoing as reasonably requested by the Vendor.
 - (17) As security for any monies owing to the Vendor by the Purchaser in connection with this transaction, the Purchaser does hereby charge and pledge his or her interest in the Property with the intention of creating a lien and charge against the same, and the Purchaser acknowledges and agrees that the Vendor may register a charge or Vendor's lien against the Property, in the Vendor's usual form, to secure any such monies owing. The Purchaser hereby irrevocably constitutes and appoints the Vendor (acting by any officer of the Vendor or any other party as may be directed by the Vendor), to be and act as the Purchaser's lawful attorney to complete, sign and register a charge or lien against the Property in the Purchaser's name, place and stead in accordance with the provisions of the Powers of Attorney Act. The Vendor will however, upon request, deliver to the Purchaser (for registration at the Purchaser's expense) a discharge of charge or release of the Vendor's lien, but only after all monies owing to the Vendor by the Purchaser have been duly paid to the Vendor by the Purchaser, including without limitation the repayment of any adjustments resulting from this transaction and the Vendor's legal costs in recovering the same.
 - (18) Notwithstanding paragraph (5), in the event that a discharge of any mortgage or charge which is not to be assumed by the Purchaser on Closing is not available in registerable form on the Closing Date, the Purchaser agrees to accept the Vendor's Solicitor's undertaking to obtain and register the discharge of the same within a reasonable period of time after Closing in full satisfaction of the Vendor's obligation in that regard.

J. TERMINATION

- (1) If the Purchaser shall become insolvent or make a general assignment for the benefit of creditors or if the Purchaser's interest in the land herein contracted to be sold, be seized or sold under execution, then the whole of the said purchase money and the interest thereon shall forthwith become due and payable to the Vendor at the option of the Vendor.
- (2) It is understood and agreed that upon default by the Purchaser in any of his covenants or obligations set forth in this agreement, in addition to and without prejudice to any other rights and/or remedies available to the Vendor (at law or in equity) as a consequence of said breach or default by the Purchaser, the Vendor shall have the right to declare this Agreement terminated without further notice and the deposit money shall be forfeited to the Vendor as liquidated damages and not as a penalty.
- (3) The Purchaser agrees that the Vendor may, at its option declare this agreement to be terminated in the event that the Purchaser or anyone acting for or on behalf of the Purchaser, makes any adverse representation to the Municipality or anyone else in writing or otherwise with respect to the construction, grading or otherwise, prior to Closing.
- (4) The Vendor shall not be liable for loss or damage to fixtures, appliances or any other property of the Purchaser left on the premises.
- (5) If the Vendor has agreed to acquire registered title to the Property from the Developer on terms set forth in a separate Purchase Agreement, the in the event of default by the Developer in compliance with the requirements therein contained, or in the event the Developer or the Vendor exercises its right, by reason of adverse soil conditions affecting the lands, to terminate the Purchase Agreement as it relates to the Property or in any other event that the said Purchase Agreement is not completed, this Agreement of Purchase and Sale shall be terminated and all deposit moneys shall be repaid to the Purchaser, without interest or deduction other than the Purchaser's obligations for extras or changes, and the parties hereto shall be relieved of any liability or obligation hereunder.
- (6) If this Agreement is terminated and/or if the transaction contemplated hereby is not completed (other than as a result of breach of contract by the Purchaser), the Purchaser shall be entitled to the return of all deposit monies without interest, less the Purchaser's obligations for

extras or changes, and the Vendor shall not be liable for any other costs or damages.

- (7) The Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, as well as any administrative fees charged by the Vendor, plus applicable taxes, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, or in connection with any changes to adjustments or documentation necessitated by the Purchaser or their solicitors providing incorrect information or amending information previously provided, which fees will be paid on the earlier of seven (7) days of written demand by the Vendor or its solicitors, or the Closing Date.
- (8) At any time prior to completion, if the Vendor, in its sole and absolute discretion, deem it impossible to reasonably satisfy the desires or expectations of the Purchaser or impossible to carry on a working relationship with the Purchaser, the Vendor may at its sole option, declare this Agreement to be terminated, whereupon the Purchaser shall be entitled to the return of all deposit monies without interest, less the Purchaser's obligations for extras or changes, and the Vendor shall not be liable for any other costs or damages.

K. ASSIGNMENT AND RESALE

- (1) The Purchaser represents to the Vendor upon which representation the Vendor has relied in accepting the Purchaser's offer that the Purchasing is purchasing the Property for his own personal use and not for short term speculative purposes. Until the expiration of one year after the Closing Date, the Purchaser covenants and agrees not to post any signs for sale, or list the Property for sale, or advise others that the Property is or may be available for sale, offer for sale or sell the Property or to enter into any agreement, conditional or otherwise, to sell the Property, or any interest therein, nor to assign this Agreement or any interest therein, or the benefit thereof, either directly or indirectly, to any person without the prior written consent of the Vendor, which consent may be arbitrarily withheld or delayed. Any offering for sale, sale, assignment or attempted assignment of this Agreement shall constitute a breach of this covenant which shall, at the Vendor's sole option, entitle the Vendor to terminate this Agreement and the Vendor shall be entitled to retain the deposit monies as liquidated damages and not as a penalty in addition to and without prejudice to any other remedy available to the Vendor arising out of such default and the Purchaser shall have no further right to or interest in the Property. In addition, in the event that the Purchaser is in breach of this paragraph, the Purchaser acknowledges and agrees that the Vendor shall have the right to charge a default fee of Five Thousand Dollars (\$5,000.00) plus applicable taxes, plus legal fees for each violation as an adjustment on the Closing Date.
- (2) In the event that the Purchaser receives an offer to purchase the Property from any other person at any time before the expiration of one year after the Closing Date, before accepting such offer he shall first deliver an identical offer duly executed by him to the Vendor providing for the sale of the Property to the Vendor together with a certified copy of the offer from the third party. Upon receipt of the third party's offer and the Purchaser's offer the Vendor shall have twenty days within which to either give written notice of his approval to permit the Purchaser to sell the Property to the third party or accept the Purchaser's offer where upon the Purchaser's offer shall constitute a binding agreement of purchase and sale and shall be completed in accordance with its terms and provisions.

L. SIDEWALKS/BUILDING RESTRICTIONS

The Purchaser undertakes and agrees as follows:

- (1) Not to petition nor support any petition under the Local Improvement Act or any other legislation whatsoever for the construction of sidewalks within the subdivision with exception of those sidewalks required to be constructed by the Developer under the Subdivision Agreement.
- (2) To obtain written acknowledgements and undertakings from all subsequent purchasers of the Real Property not to petition or support any petition under the Local Improvement Act or any other legislation whatsoever for the construction of sidewalks within the subdivision, with the exception of those sidewalks required to be constructed by the Developer under the Subdivision Agreement.
- (3) To indemnify and save the Vendor harmless with respect to any or all cost, expenses or liability whatsoever that the Vendor may incur as a result of the Purchaser's failure to comply with the terms and provisions herein or as a result of the successful petitioning under the Local Improvement Act or under any other legislation for the construction of sidewalks within the subdivision other than those prescribed under the provisions of the Subdivision Agreement within five (5) years of the date of registration of the plan of subdivision.

M. MAINTENANCE EASEMENTS & ENCROACHMENTS

- (1) The Purchaser agrees to accept title to the Property subject to restrictions or easements for the maintenance of buildings on abutting lands, and if this Agreement is for the purchase of a street townhouse dwelling, in addition to the foregoing the Purchaser agrees to accept title subject to restrictions or easements for rear yard access to lands within the same townhouse building block, if applicable. Title to the Property may also be subject to encroachments by portions of the buildings located on abutting lands, including without limitation footings, weeping tiles, eaves and other attachments to the roofs, and the Purchaser further acknowledges that portions of the dwelling may encroach upon abutting lands. The Purchaser agrees to grant such restrictions or easements or rights of encroachment as aforesaid. Where any portion of any fence is within twelve (12) centimetres of the property line, such fence shall be deemed not to be an encroachment at that point (the "Permitted Encroachment") and the Purchaser agrees to accept title to the Property and to complete the sale contemplated herein, without abatement of the Purchase Price. If any of the foregoing restrictions, easements or encroachments are required by the Vendor to be created after Closing the Purchaser shall execute any documents needed. The Purchaser shall pay to the Vendor as an adjustment on Closing, any costs incurred with respect to deletion of any restrictions registered by the Municipality with respect to the transfer of the Property.

N. HARMONIZED SALES TAX

- (1) Notwithstanding anything to the contrary contained in this agreement of purchase and sale, it is acknowledged and agreed by the parties hereto that the Purchase Price, exclusive of any requested changes or adjustments as provided for herein, already includes a component equivalent to the federal and provincial portions of the harmonized sales tax exigible with respect to this purchase and sale transaction (the "HST") less the applicable federal and provincial new housing rebates (the "Rebate") applicable pursuant to The Excise Tax Act (Canada) S.C. 1990, as amended, and that the Vendor shall remit the HST to the Federal Government on behalf of the Purchaser forthwith following the completion of this transaction. The Purchaser hereby warrants and represents to the Vendor that with respect to this transaction, the Purchaser qualifies for the Rebate, and hereby assigns to the Vendor all of the Purchaser's rights, interest and entitlement to the Rebate. The Purchaser shall execute and deliver to the Vendor, forthwith upon the Vendor's request for same (and in any event on or before Closing) all requisite documents and assurances that the Vendor may reasonably require in order to enable the Vendor to obtain the benefit of the Rebate, including without limitation, the GST/HST New Housing Rebate Application Form, namely Form No. GST 190 E (02) (the "Rebate Form"). The Purchaser covenants and agrees to indemnify and save the Vendor harmless from and against any loss, cost, damage and/or liability (including the HST, plus penalties and interest thereon) which the Vendor may suffer, incur or be charged with, as a result of the Purchaser's failure to qualify for the Rebate, or as a result of the Purchaser having qualified initially but being subsequently disintituled to the Rebate, and as security therefor the Purchaser does hereby charge and pledge his or her interest in the Property with the intention of creating a lien and charge against the same. It is further understood and agreed by the parties hereto that should the Purchaser not qualify for the Rebate, and/or fail to deliver to the Vendor the Rebate Form (duly executed by the Purchaser) together with all other requisite documents and assurances that the Vendor may reasonably require from the Purchaser or the Purchaser's solicitor in order to confirm the Purchaser's eligibility for the Rebate and/or to ensure that the Vendor ultimately acquires (or is otherwise assigned the benefit of the Rebate by the Closing Date, or if the Vendor believes, for whatever reason, that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, then notwithstanding anything contained herein to the contrary, the Purchaser shall be obliged to pay to the Vendor, by certified cheque delivered on Closing, an amount equivalent to the Rebate, in addition to the outstanding balance of the Purchase Price subject to the adjustments contemplated by this agreement, and any failure on the part of the Purchaser to pay and remit said amount to the Vendor on or before Closing (ie. by way of a charge to the Purchaser in the statement of adjustments on final Closing) shall be deemed and construed to constitute a fundamental breach of contract, thereby entitling the Vendor to refuse to complete this transaction and to thereupon exercise all of the rights and/or remedies available to the Vendor under this Agreement (and at law or in equity) as a consequence of such default or breach by the Purchaser, including without limitation, the right to refuse to release keys to the dwelling unit and to have all deposit monies theretofore

paid by the Purchaser thereupon forfeited to the Vendor as its liquidated damages, and not as a penalty, without prejudice to any other rights and/or remedies available to the Vendor (at law or in equity) as a consequence of said breach or default by the Purchaser.

- (2) Notwithstanding any other provision of this agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or any extras or upgrades purchased, ordered or chosen by the Purchaser from the Vendor which are not specifically set forth in this agreement, and the Purchaser covenants and agrees to pay such HST to the Vendor in accordance with the HST legislation.
- (3) The Purchaser hereby irrevocably constitutes and appoints the Vendor (acting by any officer of the Vendor or any other party as may be directed by the Vendor), to be and act as the Purchaser's lawful attorney to complete and sign any and all documents that may be required in order to have the Rebate paid and/or credited to the Vendor, or as the Vendor may direct, in the Purchaser's name, place and stead in accordance with the provisions of the Powers of Attorney Act.
- (4) The Vendor and Purchaser agree that if there is no HST legislation, or if it is revoked, then this Section N shall be of no force or effect. The Vendor and Purchaser agree that the Purchaser shall pay any increase in the rate of HST after the date of this Agreement.

O. PURCHASER'S CONSENT TO THE COLLECTION & LIMITED USE OF PERSONAL INFORMATION

- (1) For the purpose of compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act, S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Property, including without limitation, the Purchaser's name, home address, email address, telefax/telephone number, age, date of birth, and in respect of marital status only for the limited purposes described in subparagraphs (c), (d), (i) and (j) below, and in respect of residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information and desired Dwelling design(s) and colour/finish selections, in connection with the completion of this transaction and for post-closing and after-sales customer care purposes, and to the disclosure and/or distribution of any or all of such personal information to the following entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:
 - (a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, or other companies that are likewise associated with, related to or affiliated with the Vendor (or with the Vendor's parent/holding company) related to the development of this project, or that are developing one or more other residential projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or member of the Purchaser's family;
 - (b) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related to or affiliated with the Vendor, and who may send (by email or other means) promotional literature/brochures about new projects and/or related services to the Purchaser and/or members of the Purchaser's family;
 - (c) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family;
 - (d) any private lender(s) or financial institution(s) or their assignee or successor, providing (or wishing to provide) financing, or mortgage financing, banking and/or other financial or related services to the Vendor for the development of the lands or the construction of the dwellings thereon;
 - (e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof), including without limitation, any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;
 - (f) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the dwelling and the installation of any extras or upgrades ordered or requested by the Purchaser;
 - (g) one or more providers of cable television, telephone, telecommunication, security alarm systems, hydro-electricity, chilled water/hot water, gas and/or other similar or related services to the Property (or any portion thereof) and/or the dwelling, unless the Purchaser advises the Vendor in writing not to provide such personal information to any entity providing security alarm systems and services;
 - (h) any relevant governmental authorities or agencies, including without limitation, Tarion Warranty Corporation, the Home Construction Regulatory Authority, the Land Titles Office (in which the project is registered), the Ministry of Finance for the Province of Ontario (ie with respect to Land Transfer Tax), and Canada Revenue Agency (ie with respect to HST);
 - (i) Canada Revenue Agency, to whose attention the appropriate interest income tax information return and/or the non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(1)(b)(ii) of the Income Tax Act, R.S.C. 1985, as amended, or for the benefit of the Vendor or its related or parent company where the Purchaser has agreed to provide financial information to the Vendor to confirm the Purchaser's ability to complete the transaction contemplated by the agreement of purchase and sale, including the Purchaser's ability to obtain sufficient mortgage financing;
 - (j) the Vendor's solicitor, to facilitate the closing of this transaction (including escrow closing, if required), including the closing by electronic means via the Teraview Electronic Registration system, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;
 - (k) the Vendor's accountants and/or auditors who will prepare the Vendor's regular financial statements and audits;
 - (l) any person, where the Purchaser further consents to such disclosure or disclosures required by law.

P. GENERAL PROVISIONS

- (1) Any notice required to be given pursuant to this Agreement of Purchase and Sale shall be deemed to have been given if mailed by prepaid ordinary mail or by delivery or by facsimile transmission or email addressed to the Purchaser at the address indicated above or at his or her last known address or email address or the address of the Property after the Closing Date or to the Purchaser's solicitor and to the Vendor at 2031 James Street, Burlington, Ontario L7R 1H2 with a copy to the Vendor's solicitor or such other address as the Vendor shall notify the Purchaser or the Purchaser's solicitor, and such notice shall be deemed to have been received on the second (2nd) Business Day following the date of posting, or if hand delivered, on the date of delivery, or if sent by facsimile or email, on the same day on which transmitted unless such day is a Saturday, Sunday or statutory holiday or unless transmitted after 5:00 p.m. in which case notice shall have been deemed to have been given on the first business day following the day on which the notice was transmitted. In the event of a mail stoppage or interruption all notices shall be delivered by another method permitted hereby.
- (2) Kathy Di Silvestro is a Licensed Real Estate Broker at the office of **CH REAL ESTATE CORP.** Kathy Di Silvestro is a person related to the Vendor within the meaning of "related person" as defined in the Code of Ethics made pursuant to the Real Estate and Business Brokers Act, 2002 (Ontario), and the Purchaser acknowledges receiving notice of the foregoing facts from the Vendor prior to executing this Agreement.
- (3) This Agreement shall enure to the benefit of and be binding upon the Vendor and its successors and assigns and shall enure to the benefit of and be binding upon the Purchaser, its heirs, executors, administrators and permitted assigns.

- (4) If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.
- (5) This Agreement is to be read with all changes of gender or number required by the context. This Agreement shall be construed in accordance with the laws of the Province of Ontario and the parties attorn to the jurisdiction of the courts of the Province of Ontario. The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

Q. REPRESENTATION

The parties acknowledge that this offer, when accepted, shall constitute a binding contract of purchase and sale. It is acknowledged and agreed that there is no representation, warranty, collateral, agreement or condition affecting this Agreement or the Real Property or supported hereby except as set forth in writing in this Agreement. Without limiting the foregoing, the Purchaser acknowledges that any oral statements made before or after the date of this Agreement concerning the Real Property or the dwelling and not set out expressly in this Agreement do not form part of this Agreement, did not induce the Purchaser to enter into this Agreement and do not constitute a variation of this Agreement. This Agreement may not be amended other than in writing.

FOR REVIEW ONLY

Schedule "A"

DISTINCTIVE EXTERIOR FEATURES:

1. Superior architecturally designed homes with inspired combinations of brick, stone & precast stone accents, detailed exterior trim features, exquisite Hardie Board and/or SmartSide siding, as per elevation.
2. Gratifying streetscapes with architecturally controlled colour packages, elevations, sitings and materials.
3. Gracious covered porches, balconies, and porticos, as per plan.
4. Spacious garages with insulated garage doors with beautiful inserts, as per plan.
5. Garage walls and ceilings to be drywalled and primed.
6. Fully sodded yards. Narrow side yards between houses may be granular stone, at vendor's sole discretion.
7. Main entries featuring impressive insulated double doors, as per plan.
8. Poured concrete basement walls, wrapped with heavy duty damp-proofing and drainage layer and weeping tiles for extended protection (where required by Building Code). Sump pumps as required by municipality.
9. Pre-cast and/or poured concrete steps at front, side and rear entrances as required by grade (as per plan). Pre-cast concrete walks to front entries (where applicable).
10. Low maintenance aluminum soffit, fascia, eavestrough and downspouts.
11. Two exterior hose bibs; one in garage and one in the rear yard (location to be determined by vendor).
12. Door hardware package including grip-set and deadbolt lock, plus gorgeous exterior coach lamps (as per plan).
13. Complimentary fully paved driveway within 2 years of occupancy.
14. Customized builder address plaque. Location to be determined by vendor.
15. Self-sealing asphalt shingles which includes a 30-YEAR LIMITED TRANSFERABLE MANUFACTURERS WARRANTY.
16. Reinforced concrete garage floor with grade beams.
17. All elevations and colour schemes are under STRICT ARCHITECTURAL CONTROL to ensure a truly harmonious streetscape.
18. ELEGANT & SOPHISTICATED, 8' STEEL FRONT ENTRY DOOR(S) with Black grip set with deadbolt lock and black coach lamps.

SPECTACULAR INTERIOR FINISHES:

19. Detached homes feature 8' (+/-) basement ceilings, 9' (+/-) ground floor ceilings with impressive 9' (+/-) second floor ceilings. (Except in sunken or raised areas, stairways and where there are raised or dropped ceilings).
20. Easy maintenance smooth ceilings in kitchen, laundry room, powder room and all bathrooms. California knock down ceilings with 4" (+/-) smooth border throughout finished areas on ground, second and third floor (where applicable).
21. Oak veneer stairs to finished areas with oak handrail and nosing and choice of either oak or metal pickets (as per plan, from vendor's standard samples).
22. 34" built-in linear electric fireplace (as per plan).
23. Choice of one interior quality low v.o.c. paint colour from vendor's standard samples with all kitchen, laundry and all bathrooms finished in eggshell.
24. Vented Cellar with light, door and floor drain (as per plan, grade permitting).
25. Dropped ceilings and bulkheads (where required).
26. Professional duct cleaning before occupancy.
27. Square or round, paint grade, decorative columns, as per plan

GOURMET KITCHEN FEATURES:

28. Level 2 custom designed deluxe kitchen cabinetry with taller upper cabinets, soft close doors and drawers and stone or solid surface countertops in a wide choice of styles from vendor's standard samples, as per plan.
29. Breakfast Bar in Kitchen with extended flush bar top, as per plan.
30. Stainless steel double bowl undermount kitchen sink with single lever pullout faucet.
31. Space for dishwasher including plumbing and electrical rough-ins for future installation provided (does not include installation).
32. Convenient split electrical outlets at counter level for small appliances. USB outlet in Kitchen.
33. Stainless steel hood fan vented to exterior over stove area.
34. Heavy-duty wiring and outlet for stove and standard electrical outlet for refrigerator.
35. Tile backsplash in kitchen from vendor's standard samples.

LUXURY BATHROOM FEATURES:

36. Quality porcelain wall tiles in tub and shower enclosure to ceiling height (where applicable).
37. Primary Ensuite bathroom shower stall (as per plan) to include grand marble surround, pot light and 10 mm frameless glass enclosure with applicable fasteners.
38. Stunning freestanding soaker bath tub with Roman tub filler in Primary Ensuite bathroom (as per plan). Drop-in tub in tiled enclosure or glass shower to secondary bathrooms (as per plan).
39. Choice of quality bathroom cabinets (level 1) with choice of stone or solid surface countertop in Primary Ensuite from vendor's standard samples with undermount sink.
40. Choice of quality bathroom cabinets (level 1) with choice of laminate countertop in secondary bathrooms from vendor's standard samples.
41. Bathtub and shower curtain rods included (where applicable).
42. Level 1 base cabinet with stone or solid surface countertop in Powder Room from vendor's standard samples with single lever faucet and undermount sink (as per plan).
43. White ceramic accessories in all bathrooms and washrooms.
44. Mirrors included in all bathrooms and powder room approx. 42" high.
45. Elongated toilets with soft close seats.
46. Upgraded chrome finish faucets for all vanities and showers. Primary Ensuite includes rain shower head. All other tub/showers include handheld shower on shower arm bracket (as per plan, from vendor's standard samples).
47. Efficient exhaust fans in all bathrooms.
48. Privacy locks on all bathroom doors.
49. All plumbing fixtures to be white. Shut off valve for each sink.
50. Shower stalls to have Dens Shield (or equivalent) on walls.
51. Bathtubs with showers to have Dens Shield (or equivalent) above the tub. Drop ceilings over bathtub enclosures.
52. Washerless MOEN OR DELTA faucet(s) in kitchen, all vanities and bathtubs.

LAUNDRY ROOM ACCENTS:

53. Level 1 base cabinet with laminate countertop and drop in tub from vendor's standard samples, as per plan.
54. Hot and cold laundry taps and drain for washer with heavy duty wiring and venting for dryer.
55. Laundry room floors may be sunken to accommodate entry door(s) in laundry (if required). Laundry areas on second floor will come with a floor drain, as per plan.

Schedule "A"

FLOOR FINISH FEATURES:

56. Detached homes feature 3 ¼" x ¾" prefinished engineered hardwood in natural finish on ground floor and upper hall (excluding tiled areas and bedrooms; from vendor's standard samples).
57. Quality 12" x 24" porcelain tile flooring in entry, powder room, kitchen, laundry, bathrooms, and open to below basement foyer (as per plan, from vendor's standard samples).
58. Luxurious premium quality 40 oz. broadloom with foam under pad in bedrooms, as per plan. Your choice of one colour from vendor's standard samples.
59. Transition strip to be used between different floor materials (due to different flooring materials that may be selected, transition heights between floor surfaces may occur).
60. All shower floors include 2" x 2" mosaic ceramic tile.
61. Striking 4" (+/-) colonial style baseboard, painted white throughout with doorstop to tile and hardwood floor areas. 2¾" (+/-) casing painted white on all doors, windows and flat trimmed archways throughout finished areas (as per plan).
62. Two panel smooth style interior doors, except where indicated as sliding doors. Not applicable to Cellar or exterior doors.
63. Satin nickel levers to all interior doors. Privacy locks on all bathroom and powder room doors.
64. Doors, windows and full archways to be trimmed (as per plan).
65. Low maintenance structural vinyl Low E thermopane basement windows (as per plan).
66. Detached homes feature 2, 3 or 4 panel vinyl clad, thermal-glazed patio door system, as per plan.
67. Extensive caulking for improved energy conservation and to minimize drafts.
68. INTERIOR DOORS 8'-0" high hollow core on main floor, 6'-8" high hollow core doors on second floor and basement finished areas. Contemporary 2 panel doors from vendor's standard samples, as per plan.
69. Vinyl casement Low-E Argon-Filled windows on main & second floor.

LIGHTING & ELECTRICAL:

70. All wiring will be in accordance with the Ontario Building Code and the Electrical Safety Authority.
71. Decorative black coach lamps on exterior elevations (where applicable).
72. Two exterior waterproof electrical outlets (one at the front porch and one at rear yard). Holiday plug in front elevation soffit.
73. Heavy duty 220V electrical outlet for stove and dryer.
74. Light fixtures provided throughout finished areas except in living room, with white decora style switches and receptacles.
75. Switch controlled receptacles in living room.
76. One automatic smoke/strobe detector installed on every floor and in every bedroom for home and family safety.
77. Electric door chime with doorbell at front entry.
78. Ground fault interrupter protection for all bathroom(s) and powder room.
79. Carbon monoxide detector.
80. 200-amp electrical service with circuit breaker panel.
81. Provisions for rough-in electric car charger in garage.
82. One electrical wall outlet in garage for each parking space, ceiling lights as required and one electrical outlet on the ceiling per overhead door for future garage door opener.

ENERGY SAVING FEATURES:

83. ENERGY STAR QUALIFIED (95%) HIGH-EFFICIENCY FURNACE WITH INTERCONNECTED HRV (HEAT RECOVERY VENTILATOR) FOR IMPROVED AIR QUALITY.
84. COMFORT CONTROLLED BY A SMART HOME THERMOSTAT.
85. EXTERIOR WALLS AND 2ND FLOOR CEILINGS (WHERE APPLICABLE) TO BE FULLY INSULATED, CEILING TO R-60, AND WALLS TO R-22. ALL INSULATED AREAS ARE TO BE COVERED BY POLY VAPOUR BARRIERS (AS PER ONTARIO BUILDING CODE).
86. R40 SPRAY FOAM INSULATION IN FLOOR CAVITIES WITH UNHEATED SPACE BELOW.
87. SPRAY FOAM AROUND WINDOWS AND EXTERIOR DOORS FOR INCREASED AIR TIGHTNESS.
88. WATER SAVING SHOWER HEADS ON ALL SHOWERS WITH TEMPERATURE CONTROL VALVES.
89. WATER EFFICIENT TOILETS.
90. WATER EFFICIENT LAVATORY FAUCETS.
91. WINDOWS AND DOORS WITH LOW-E GLASS AND ARGON-FILLED AIR SPACE.
92. FULL HEIGHT BASEMENT INSULATION WITHIN 6" OF CONCRETE FLOOR, as per Ontario Building Code.
93. LED LIGHT BULBS TO ALL APPLICABLE FIXTURES.
94. BATHROOM FANS VENTED TO EXTERIOR
95. HIGH EFFICIENCY HOT WATER HEATER (RENTAL BASIS).

SECURITY FEATURES FOR ADDED FAMILY COMFORT:

96. High quality deadbolt locks on all exterior swing doors.
97. Exterior hinges and striker plates reinforced with extra-long screws.
98. Additional screws at patio door to prevent lifting.
99. Additional blocking at all exterior door jambs.
100. Rough-in for Security System (location to be determined by vendor).

ADDITIONAL FEATURES:

101. Steel beam construction in basement (as per applicable plan).
102. Engineered floor joists & 5/8" subfloor glued to achieve outstanding structural strength.
103. All subfloors will be REFASTENED WITH SCREWS prior to floor finishes. All joints to be sanded
104. 2" x 6" exterior wall construction (as per plan, excluding garage).
105. Architecturally predetermined siting and exterior colours.
106. Survey provided on closing
107. Entry door from garage to interior (where grade permits) with safety door closer, as per Ontario Building Code.

CUSTOMER FRIENDLY UPGRADE PROGRAM:

108. Purchasers will have the opportunity to make upgraded interior selections when they attend their decor appointment to choose their colours and materials (when schedules permit).

Schedule "A"

LOOKOUT AND WALKOUT CONDITIONS:

109. Lookout lot conditions shall include larger rear basement windows, with wood deck and stairs to grade, as grade permits.
110. Walkout lot conditions shall include a sliding patio door or garden door in basement and larger rear basement windows as per grade & applicable plan, a railing will be installed at the door on main floor level.

HELPFUL ROUGH-INS FOR YOUR GROWING FAMILY:

111. Rough-in for central vacuum system piped to garage.
112. Rough-in gas line to BBQ at rear of home, location to be determined by vendor.
113. 3-piece rough-in to basement (as per plans), location to be determined by vendor.

WARRANTY:

Crystal Homes warranty backed by Tarion.

ONE YEAR WARRANTY:

The builder warrants that the home is free from defects in workmanship and materials, and is fit to live in and meets the Ontario Building Code requirements from the date of possession.

TWO YEAR WARRANTY PROTECTION:

Water seepage through the building envelope, including the basement or foundation walls.
Defects in materials and work in the electrical, plumbing and heating delivery and distribution systems.
Defects in materials and work in the exterior cladding, caulking windows and doors leading to detachment or serious deterioration.
Violations of the Ontario Building Code's health and safety provisions.

SEVEN YEAR WARRANTY PROTECTION (Major Structural Defects):

Any defect in materials or workmanship that result in the failure of a load-bearing part of the structure, or any defect in materials or workmanship that materially and adversely affects the use of the building as a home. Purchaser will reimburse the Builder for the cost of the Warranty Fee as an adjustment on closing.

Specifications are subject to change without notice. The vendor has the right to substitute materials of equal or greater value at their sole discretion. All sizes and dimensions are approximate and are for general reference only. E. & O.E.

SAMPLE ONLY
FOR REVIEW ONLY

SCHEDULE B EXTRAS

FOR REVIEW ONLY

SCHEDULE "C"

Freehold Form
(Tentative Closing Date)

Property Hometown Hillsdale
LOT:

Statement of Critical Dates
Delayed Closing Warranty

This Statement of Critical Dates forms part of the Addendum to which it is attached, which in turn forms part of the agreement of purchase and sale between the Vendor and the Purchaser relating to the Property. The Vendor must complete all blanks set out below. Both the Vendor and Purchaser must sign this page.

NOTE TO HOME BUYERS: Home buyers are encouraged to refer to the Home Construction Regulatory Authority's website www.hcraontario.ca to confirm a vendor's licence status prior to purchase as well as to review advice about buying a new home. Please visit Tarion's website: www.tarion.com for important information about all of Tarion's warranties including the Delayed Occupancy Warranty, the Pre-Delivery Inspection and other matters of interest to new home buyers. The Warranty Information Sheet, which accompanies your purchase agreement and has important information, is strongly recommended as essential reading for all home buyers. The website features a calculator which will assist you in confirming the various Critical Dates related to the occupancy of your home.

VENDOR CRYSTAL HOMES (HILLSDALE) CORPORATION
Full Name(s)

PURCHASER
Full Name(s)

1. Critical Dates

The First Tentative Closing Date, which is the date that the Vendor anticipates the home will be completed and ready to move in, is:

the ___ day of ___, 20__.

A Second Tentative Closing Date can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Closing Date. The Second Tentative Closing Date can be up to 120 days after the First Tentative Closing Date, and so could be as late as:

the ___ day of ___, 20__.

The Vendor must set a Firm Closing Date by giving proper written notice at least 90 days before the Second Tentative Closing Date. The Firm Closing Date can be up to 120 days after the Second Tentative Closing Date, and so could be as late as:

the ___ day of ___, 20__.

If the Vendor cannot close by the Firm Closing Date, then the Purchaser is entitled to delayed closing compensation (see section 7 of the Addendum) and the Vendor must set a Delayed Closing Date.

The Vendor can set a Delayed Closing Date that is up to 365 days after the earlier of the Second Tentative Closing Date and the Firm Closing Date: This Outside Closing Date could be as late as:

the ___ day of ___, 20__.

2. Notice Period for a Delay of Closing

Changing a Closing date requires proper written notice. The Vendor, without the Purchaser's consent, may delay Closing twice by up to 120 days each time by setting a Second Tentative Closing Date and then a Firm Closing Date in accordance with section 1 of the Addendum but no later than the Outside Closing Date.

Notice of a delay beyond the First Tentative Closing Date must be given no later than:

the ___ day of ___, 20__.

(i.e., at least 90 days before the First Tentative Closing Date), or else the First Tentative Closing Date automatically becomes the Firm Closing Date.

Notice of a second delay in Closing must be given no later than:

the ___ day of ___, 20__.

(i.e., at least 90 days before the Second Tentative Closing Date), or else the Second Tentative Closing Date becomes the Firm Closing Date.

3. Purchaser's Termination Period

If the purchase of the home is not completed by the Outside Closing Date, then the Purchaser can terminate the transaction during a period of 30 days thereafter (the "Purchaser's Termination Period"), which period, unless extended by mutual agreement, will end on:

the ___ day of ___, 20__.

If the Purchaser terminates the transaction during the Purchaser's Termination Period, then the Purchaser is entitled to delayed closing compensation and to a full refund of all monies paid plus interest (see sections 7, 10 and 11 of the Addendum).

Note: Any time a Critical Date is set or changed as permitted in the Addendum, other Critical Dates may change as well. At any given time the parties must refer to: the most recent revised Statement of Critical Dates; or agreement or written notice that sets a Critical Date, and calculate revised Critical Dates using the formulas contained in the Addendum. Critical Dates can also change if there are unavoidable delays (see section 5 of the Addendum).

Acknowledged this ___ day of ___, 20__.

VENDOR: _____

PURCHASER: _____

Freehold Form (Tentative Closing Date)

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

- (a) **Completing Construction Without Delay:** The Vendor shall take all reasonable steps to complete construction of the home on the Property and to Close without delay.
- (b) **First Tentative Closing Date:** The Vendor shall identify the First Tentative Closing Date in the Statement of Critical Dates attached to the Addendum at the time the Purchase Agreement is signed.
- (c) **Second Tentative Closing Date:** The Vendor may choose to set a Second Tentative Closing Date that is no later than 120 days after the First Tentative Closing Date. The Vendor shall give written notice of the Second Tentative Closing Date to the Purchaser at least 90 days before the First Tentative Closing Date, or else the First Tentative Closing Date shall for all purposes be the Firm Closing Date.
- (d) **Firm Closing Date:** The Vendor shall set a Firm Closing Date, which can be no later than 120 days after the Second Tentative Closing Date or, if a Second Tentative Closing Date is not set, no later than 120 days after the First Tentative Closing Date. If the Vendor elects not to set a Second Tentative Closing Date, the Vendor shall give written notice of the Firm Closing Date to the Purchaser at least 90 days before the First Tentative Closing Date, or else the First Tentative Closing Date shall for all purposes be the Firm Closing Date. If the Vendor elects to set a Second Tentative Closing Date, the Vendor shall give written notice of the Firm Closing Date to the Purchaser at least 90 days before the Second Tentative Closing Date, or else the Second Tentative Closing Date shall for all purposes be the Firm Closing Date.
- (e) **Notice:** Any notice given by the Vendor under paragraphs (c) and (d) above, must set out the stipulated Critical Date, as applicable.

2. Changing the Firm Closing Date – Three Ways

- (a) The Firm Closing Date, once set or deemed to be set in accordance with section 1, can be changed only:
 - (i) by the Vendor setting a Delayed Closing Date in accordance with section 3;
 - (ii) by the mutual written agreement of the Vendor and Purchaser in accordance with section 4; or
 - (iii) as the result of an Unavoidable Delay of which proper written notice is given in accordance with section 5.
- (b) If a new Firm Closing Date is set in accordance with section 4 or 5, then the new date is the "Firm Closing Date" for all purposes in this Addendum.

3. Changing the Firm Closing Date – By Setting a Delayed Closing Date

- (a) If the Vendor cannot Close on the Firm Closing Date and sections 4 and 5 do not apply, the Vendor shall select and give written notice to the Purchaser of a Delayed Closing Date in accordance with this section, and delayed closing compensation is payable in accordance with section 7.
- (b) The Delayed Closing Date may be any Business Day after the date the Purchaser receives written notice of the Delayed Closing Date but not later than the Outside Closing Date.
- (c) The Vendor shall give written notice to the Purchaser of the Delayed Closing Date as soon as the Vendor knows that it will be unable to Close on the Firm Closing Date, and in any event at least 10 days before the Firm Closing Date, failing which delayed closing compensation is payable from the date that is 10 days before the Firm Closing Date, in accordance with paragraph 7(c). If notice of a new Delayed Closing Date is not given by the Vendor before the Firm Closing Date, then the new Delayed Closing Date shall be deemed to be the date which is 90 days after the Firm Closing Date.
- (d) After the Delayed Closing Date is set, if the Vendor cannot Close on the Delayed Closing Date, the Vendor shall select and give written notice to the Purchaser of a new Delayed Closing Date, unless the delay arises due to Unavoidable Delay under section 5 or is mutually agreed upon under section 4, in which case the requirements of those sections must be met. Paragraphs (b) and (c) above apply with respect to the setting of the new Delayed Closing Date.
- (e) Nothing in this section affects the right of the Purchaser or Vendor to terminate the Purchase Agreement on the bases set out in section 10.

4. Changing Critical Dates – By Mutual Agreement

- (a) This Addendum sets out a framework for setting, extending and/or accelerating Critical dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser.
- (b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:
 - (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
 - (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;
 - (iii) the Purchaser acknowledges that the amendment may affect delayed closing compensation payable; and

Freehold Form (Tentative Closing Date)

- (iv) if the change involves extending either the Firm Closing Date or the Delayed Closing Date, then the amending agreement shall:
- i. disclose to the Purchaser that the signing of the amendment may result in the loss of delayed closing compensation as described in section 7;
 - ii. unless there is an express waiver of compensation, describe in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation; and
 - iii. contain a statement by the Purchaser that the Purchaser waives compensation or accepts the compensation referred to in clause ii above, in either case, in full satisfaction of any delayed closing compensation payable by the Vendor for the period up to the new Firm Closing Date or Delayed Closing Date.

If the Purchaser for his or her own purposes requests a change of the Firm Closing Date or the Delayed Closing Date, then subparagraphs (b)(i), (iii) and (iv) above shall not apply.

- (c) A Vendor is permitted to include a provision in the Purchase Agreement allowing the Vendor a one-time unilateral right to extend a Firm Closing Date or Delayed Closing Date, as the case may be, for one (1) Business Day to avoid the necessity of tender where a Purchaser is not ready to complete the transaction on the Firm Closing Date or Delayed Closing Date, as the case may be. Delayed closing compensation will not be payable for such period and the Vendor may not impose any penalty or interest charge upon the Purchaser with respect to such extension.
- (d) The Vendor and Purchaser may agree in the Purchase Agreement to any unilateral extension or acceleration rights that are for the benefit of the Purchaser.

5. Extending Dates – Due to Unavoidable Delay

- (a) If Unavoidable Delay occurs, the Vendor may extend Critical Dates by no more than the length of the Unavoidable Delay Period, without the approval of the Purchaser and without the requirement to pay delayed closing compensation in connection with the Unavoidable Delay, provided the requirements of this section are met.
- (b) If the Vendor wishes to extend Critical Dates on account of Unavoidable Delay, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, and an estimate of the duration of the delay. Once the Vendor knows or ought reasonably to know that an Unavoidable Delay has commenced, the Vendor shall provide written notice to the Purchaser by the earlier of: 20 days thereafter; and the next Critical Date.
- (c) As soon as reasonably possible, and no later than 20 days after the Vendor knows or ought reasonably to know that an Unavoidable Delay has concluded, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, identifying the date of its conclusion, and setting new Critical Dates. The new Critical Dates are calculated by adding to the then next Critical Date the number of days of the Unavoidable Delay Period (the other Critical Dates changing accordingly), provided that the Firm Closing Date or Delayed Closing Date, as the case may be, must be at least 10 days after the day of giving notice unless the parties agree otherwise. Either the Vendor or the Purchaser may request in writing an earlier Firm Closing Date or Delayed Closing Date, and the other party's consent to the earlier date shall not be unreasonably withheld.
- (d) If the Vendor fails to give written notice of the conclusion of the Unavoidable Delay in the manner required by paragraph (c) above, then the notice is ineffective, the existing Critical Dates are unchanged, and any delayed closing compensation payable under section 7 is payable from the existing Firm Closing Date.
- (e) Any notice setting new Critical Dates given by the Vendor under this section shall include an updated revised Statement of Critical Dates.

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

- (a) The Vendor and Purchaser may include conditions in the Purchase Agreement that, if not satisfied, give rise to early termination of the Purchase Agreement, but only in the limited way described in this section.
- (b) The Vendor is not permitted to include any conditions in the Purchase Agreement other than: the types of Early Termination Conditions listed in Schedule A; and/or the conditions referred to in paragraphs (j), (k) and (l) below. Any other condition included in a Purchase Agreement for the benefit of the Vendor that is not expressly permitted under Schedule A or paragraphs (j), (k) and (l) below is deemed null and void and is not enforceable by the Vendor, but does not affect the validity of the balance of the Purchase Agreement.
- (c) The Vendor confirms that this Purchase Agreement is subject to Early Termination Conditions that, if not satisfied (or waived, if applicable), may result in the termination of the Purchase Agreement. Yes No
- (d) If the answer in (c) above is "Yes", then the Early Termination Conditions are as follows. The obligation of each of the Purchaser and Vendor to complete this purchase and sale transaction is subject to satisfaction (or waiver, if applicable) of the following conditions and any such conditions set out in an appendix headed "Early Termination Conditions":

**Freehold Form
(Tentative Closing Date)**

Condition #1 (if applicable)

Description of the Early Termination Condition:

The Approving Authority (as that term is defined in Schedule A) is: _____

The date by which Condition #1 is to be satisfied is the _____ day of _____, 20 _____.

Condition #2 (if applicable)

Description of the Early Termination Condition:

The Approving Authority (as that term is defined in Schedule A) is: _____

The date by which Condition #2 is to be satisfied is the _____ day of _____, 20 _____.

The date for satisfaction of any Early Termination Condition may be changed by mutual agreement provided in all cases it is set at least 90 days before the First Tentative Closing Date, and will be deemed to be 90 days before the First Tentative Closing Date if no date is specified or if the date specified is later than 90 days before the First Tentative Closing Date. This time limitation does not apply to the condition in subparagraph 1(b)(iv) of Schedule A which must be satisfied or waived by the Vendor within 60 days following the later of: (A) the signing of the Purchase Agreement; and (B) the satisfaction or waiver by the Purchaser of a Purchaser financing condition permitted under paragraph (l) below.

Note: The parties must add additional pages as an appendix to this Addendum if there are additional Early Termination Conditions.

- (e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.
- (f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.
- (g) For conditions under paragraph 1(a) of Schedule A the following applies:
 - (i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
 - (ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
 - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.
- (h) For conditions under paragraph 1(b) of Schedule A the following applies:
 - (i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
 - (ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
 - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.
- (i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.
- (j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
- (k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.
- (l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

Freehold Form (Tentative Closing Date)

MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

- (a) The Vendor warrants to the Purchaser that, if Closing is delayed beyond the Firm Closing Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of \$7,500, which amount includes: (i) payment to the Purchaser of a set amount of \$150 a day for living expenses for each day of delay until the date of Closing; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.
- (b) Delayed closing compensation is payable only if: (i) Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 10(b) of this Addendum. Delayed closing compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Closing, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.
- (c) If the Vendor gives written notice of a Delayed Closing Date to the Purchaser less than 10 days before the Firm Closing Date, contrary to the requirements of paragraph 3(c), then delayed closing compensation is payable from the date that is 10 days before the Firm Closing Date.
- (d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of \$150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed closing compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed closing compensation in connection with a claim.
- (e) If delayed closing compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Closing or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed closing compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:
 - (i) includes the Vendor's assessment of the delayed closing compensation payable;
 - (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
 - (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delay compensation payable by the Vendor.
- (f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Closing. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 10(b), in which case, the deadline for a claim is one (1) year after termination.

8. Adjustments to Purchase Price

Only the items set out in Schedule B (or an amendment to Schedule B), shall be the subject of adjustment or change to the purchase price or the balance due on Closing. The Vendor agrees that it shall not charge as an adjustment or readjustment to the purchase price of the home, any reimbursement for a sum paid or payable by the Vendor to a third party unless the sum is ultimately paid to the third party either before or after Closing. If the Vendor charges an amount in contravention of the preceding sentence, the Vendor shall forthwith readjust with the Purchaser. This section shall not: restrict or prohibit payments for items disclosed in Part I of Schedule B which have a fixed fee; nor shall it restrict or prohibit the parties from agreeing on how to allocate as between them, any rebates, refunds or incentives provided by the federal government, a provincial or municipal government or an agency of any such government, before or after Closing.

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

- (a) On or before Closing, the Vendor shall deliver to the Purchaser:
 - (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or
 - (ii) if an Occupancy Permit is not required under the Building Code, a signed written confirmation by the Vendor that all conditions of occupancy under the Building Code have been fulfilled and occupancy is permitted under the Building Code.
- (b) Notwithstanding the requirements of paragraph (a), to the extent that the Purchaser and the Vendor agree that the Purchaser shall be responsible for one or more prerequisites to obtaining permission for occupancy under the Building Code, (the "Purchaser Occupancy Obligations"):

Freehold Form (Tentative Closing Date)

- (i) the Purchaser shall not be entitled to delayed closing compensation if the reason for the delay is that the Purchaser Occupancy Obligations have not been completed;
 - (ii) the Vendor shall deliver to the Purchaser, upon fulfilling all prerequisites to obtaining permission for occupancy under the Building Code (other than the Purchaser Occupancy Obligations), a signed written confirmation that the Vendor has fulfilled such prerequisites; and
 - (iii) if the Purchaser and Vendor have agreed that such prerequisites (other than the Purchaser Occupancy Obligations) are to be fulfilled prior to Closing, then the Vendor shall provide the signed written confirmation required by subparagraph (ii) on or before the date of Closing.
- (c) If the Vendor cannot satisfy the requirements of paragraph (a) or subparagraph (b)(ii), the Vendor shall set a Delayed Closing Date (or new Delayed Closing Date) on a date that the Vendor reasonably expects to have satisfied the requirements of paragraph (a) or subparagraph (b)(ii), as the case may be. In setting the Delayed Closing Date (or new Delayed Closing Date), the Vendor shall comply with the requirements of section 3, and delayed closing compensation shall be payable in accordance with section 7. Despite the foregoing, delayed closing compensation shall not be payable for a delay under this paragraph (c) if the inability to satisfy the requirements of subparagraph (b)(ii) above is because the Purchaser has failed to satisfy the Purchaser Occupancy Obligations.
- (d) For the purposes of this section, an "Occupancy Permit" means any written or electronic document, however styled, whether final, provisional or temporary, provided by the chief building official (as defined in the *Building Code Act*) or a person designated by the chief building official, that evidences that permission to occupy the home under the Building Code has been granted.

10. Termination of the Purchase Agreement

- (a) The Vendor and the Purchaser may terminate the Purchase Agreement by mutual written agreement. Such written mutual agreement may specify how monies paid by the Purchaser, including deposit(s) and monies for upgrades and extras are to be allocated if not repaid in full.
- (b) If for any reason (other than breach of contract by the Purchaser) Closing has not occurred by the Outside Closing Date, then the Purchaser has 30 days to terminate the Purchase Agreement by written notice to the Vendor. If the Purchaser does not provide written notice of termination within such 30-day period then the Purchase Agreement shall continue to be binding on both parties and the Delayed Closing Date shall be the date set under paragraph 3(c), regardless of whether such date is beyond the Outside Closing Date.
- (c) If: calendar dates for the applicable Critical Dates are not inserted in the Statement of Critical Dates; or if any date for Closing is expressed in the Purchase Agreement or in any other document to be subject to change depending upon the happening of an event (other than as permitted in this Addendum), then the Purchaser may terminate the Purchase Agreement by written notice to the Vendor.
- (d) The Purchase Agreement may be terminated in accordance with the provisions of section 6.
- (e) Nothing in this Addendum derogates from any right of termination that either the Purchaser or the Vendor may have at law or in equity on the basis of, for example, frustration of contract or fundamental breach of contract.
- (f) Except as permitted in this section, the Purchase Agreement may not be terminated by reason of the Vendor's delay in Closing alone.

11. Refund of Monies Paid on Termination

- (a) If the Purchase Agreement is terminated (other than as a result of breach of contract by the Purchaser), then unless there is agreement to the contrary under paragraph 10(a), the Vendor shall refund all monies paid by the Purchaser including deposit(s) and monies for upgrades and extras, within 10 days of such termination, with interest from the date each amount was paid to the Vendor to the date of refund to the Purchaser. The Purchaser cannot be compelled by the Vendor to execute a release of the Vendor as a prerequisite to obtaining the refund of monies payable as a result of termination of the Purchase Agreement under this paragraph, although the Purchaser may be required to sign a written acknowledgement confirming the amount of monies refunded and termination of the purchase transaction. Nothing in this Addendum prevents the Vendor and Purchaser from entering into such other termination agreement and/or release as may be agreed to by the parties.
- (b) The rate of interest payable on the Purchaser's monies is 2% less than the minimum rate at which the Bank of Canada makes short-term advances to members of Canada Payments Association, as of the date of termination of the Purchase Agreement.
- (c) Notwithstanding paragraphs (a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

12. Definitions

"Business Day" means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.

"Closing" means the completion of the sale of the home including transfer of title to the home to the Purchaser, and **"Close"** has a corresponding meaning.

"Commencement of Construction" means the commencement of construction of foundation components or elements (such as footings, rafts or piles) for the home.

Freehold Form (Tentative Closing Date)

“Critical Dates” means the First Tentative Closing Date, the Second Tentative Closing Date, the Firm Closing Date, the Delayed Closing Date, the Outside Closing Date and the last day of the Purchaser’s Termination Period.

“Delayed Closing Date” means the date, set in accordance with section 3, on which the Vendor agrees to Close, in the event the Vendor cannot Close on the Firm Closing Date.

“Early Termination Conditions” means the types of conditions listed in Schedule A.

“Firm Closing Date” means the firm date on which the Vendor agrees to Close as set in accordance with this Addendum.

“First Tentative Closing Date” means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that it will be able to close, as set out in the Statement of Critical Dates.

“Outside Closing Date” means the date which is 365 days after the earlier of the Firm Closing Date; or Second Tentative Closing Date; or such other date as may be mutually agreed upon in accordance with section 4.

“Property” or “home” means the home including lands being acquired by the Purchaser from the Vendor.

“Purchaser’s Termination Period” means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 10(b).

“Second Tentative Closing Date” has the meaning given to it in paragraph 1(c).

“Statement of Critical Dates” means the Statement of Critical Dates attached to and forming part of this Addendum (in form to be determined by Tarion from time to time), and, if applicable, as amended in accordance with this Addendum.

“The ONHWP Act” means the *Ontario New Home Warranties Plan Act* including regulations, as amended from time to time.

“Unavoidable Delay” means an event which delays Closing which is a strike, fire, explosion, flood, act of God, civil insurrection, act of war, act of terrorism or pandemic, plus any period of delay directly caused by the event, which are beyond the reasonable control of the Vendor and are not caused or contributed to by the fault of the Vendor.

“Unavoidable Delay Period” means the number of days between the Purchaser’s receipt of written notice of the commencement of the Unavoidable Delay, as required by paragraph 5(b), and the date on which the Unavoidable Delay concludes.

13. Addendum Prevails

The Addendum forms part of the Purchase Agreement. The Vendor and Purchaser agree that they shall not include any provision in the Purchase Agreement or any amendment to the Purchase Agreement or any other document (or indirectly do so through replacement of the Purchase Agreement) that derogates from, conflicts with or is inconsistent with the provisions of this Addendum, except where this Addendum expressly permits the parties to agree or consent to an alternative arrangement. The provisions of this Addendum prevail over any such provision.

14. Time Periods, and How Notice Must Be Sent

- (a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
- (b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5 Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 14, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.
- (c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.
- (d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.
- (e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.
- (f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.
- (g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.
- (h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.
- (i) Words in the singular include the plural and words in the plural include the singular.
- (j) Gender-specific terms include both sexes and include corporations.

**Freehold Form
(Tentative Closing Date)**

15. Disputes Regarding Termination

- (a) The Vendor and Purchaser agree that disputes arising between them relating to termination of the Purchase Agreement under section 11 shall be submitted to arbitration in accordance with the *Arbitration Act, 1991* (Ontario) and subsection 17(4) of the ONHWP Act.
- (b) The parties agree that the arbitrator shall have the power and discretion on motion by the Vendor or Purchaser or any other interested party, or of the arbitrator's own motion, to consolidate multiple arbitration proceedings on the basis that they raise one or more common issues of fact or law that can more efficiently be addressed in a single proceeding. The arbitrator has the power and discretion to prescribe whatever procedures are useful or necessary to adjudicate the common issues in the consolidated proceedings in the most just and expeditious manner possible. The *Arbitration Act, 1991* (Ontario) applies to any consolidation of multiple arbitration proceedings.
- (c) The Vendor shall pay the costs of the arbitration proceedings and the Purchaser's reasonable legal expenses in connection with the proceedings unless the arbitrator for just cause orders otherwise.
- (d) The parties agree to cooperate so that the arbitration proceedings are conducted as expeditiously as possible, and agree that the arbitrator may impose such time limits or other procedural requirements, consistent with the requirements of the *Arbitration Act, 1991* (Ontario), as may be required to complete the proceedings as quickly as reasonably possible.
- (e) The arbitrator may grant any form of relief permitted by the *Arbitration Act, 1991* (Ontario), whether or not the arbitrator concludes that the Purchase Agreement may properly be terminated.

For more information please visit www.tarion.com

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**Freehold Form
(Tentative Closing Date)**

SCHEDULE A

Types of Permitted Early Termination Conditions

1. The Vendor of a home is permitted to make the Purchase Agreement conditional as follows:

- (a) upon receipt of Approval from an Approving Authority for:
- (i) a change to the official plan, other governmental development plan or zoning by-law (including a minor variance);
 - (ii) a consent to creation of a lot(s) or part-lot(s);
 - (iii) a certificate of water potability or other measure relating to domestic water supply to the home;
 - (iv) a certificate of approval of septic system or other measure relating to waste disposal from the home;
 - (v) completion of hard services for the property or surrounding area (i.e., roads, rail crossings, water lines, sewage lines, other utilities);
 - (vi) allocation of domestic water or storm or sanitary sewage capacity;
 - (vii) easements or similar rights serving the property or surrounding area;
 - (viii) site plan agreements, density agreements, shared facilities agreements or other development agreements with Approving Authorities or nearby landowners, and/or any development Approvals required from an Approving Authority; and/or
 - (ix) site plans, plans, elevations and/or specifications under architectural controls imposed by an Approving Authority.

The above-noted conditions are for the benefit of both the Vendor and the Purchaser and cannot be waived by either party.

- (b) upon:
- (i) subject to paragraph 1(c), receipt by the Vendor of confirmation that sales of homes in the Freehold Project have exceeded a specified threshold by a specified date;
 - (ii) subject to paragraph 1(c), receipt by the Vendor of confirmation that financing for the Freehold Project on terms satisfactory to the Vendor has been arranged by a specified date;
 - (iii) receipt of Approval from an Approving Authority for a basement walkout; and/or
 - (iv) confirmation by the Vendor that it is satisfied the Purchaser has the financial resources to complete the transaction.

The above-noted conditions are for the benefit of the Vendor and may be waived by the Vendor in its sole discretion.

- (c) the following requirements apply with respect to the conditions set out in subparagraph 1(b)(i) or 1(b)(ii):
- (i) the 3 Business Day period in section 6(i) of the Addendum shall be extended to 10 calendar days for a Purchase Agreement which contains a condition set out in subparagraphs 1(b)(i) and/or 1(b)(ii);
 - (ii) the Vendor shall complete the Property Description on page 2 of this Addendum;
 - (iii) the date for satisfaction of the condition cannot be later than 9 months following signing of the purchase Agreement; and
 - (iv) until the condition is satisfied or waived, all monies paid by the Purchaser to the Vendor, including deposit(s) and monies for upgrades and extras: (A) shall be held in trust by the Vendor's lawyer pursuant to a deposit trust agreement (executed in advance in the form specified by Tarion Warranty Corporation, which form is available for inspection at the offices of Tarion Warranty Corporation during normal business hours), or secured by other security acceptable to Tarion and arranged in writing with Tarion, or (B) failing compliance with the requirement set out in clause (A) above, shall be deemed to be held in trust by the Vendor for the Purchaser on the same terms as are set out in the form of deposit trust agreement described in clause (A) above.

2. The following definitions apply in this Schedule:

"Approval" means an approval, consent or permission (in final form not subject to appeal) from an Approving Authority and may include completion of necessary agreements (i.e., site plan agreement) to allow lawful access to and use and Closing of the property for its intended residential purpose.

"Approving Authority" means a government (federal, provincial or municipal), governmental agency, Crown corporation, or quasi-governmental authority (a privately operated organization exercising authority delegated by legislation or a government).

"Freehold Project" means the construction or proposed construction of three or more freehold homes (including the Purchaser's home) by the same Vendor in a single location, either at the same time or consecutively, as a single coordinated undertaking.

3. Each condition must:

- (a) be set out separately;
- (b) be reasonably specific as to the type of Approval which is needed for the transaction; and
- (c) identify the Approving Authority by reference to the level of government and/or the identity of the governmental agency, Crown corporation or quasi-governmental authority.

4. For greater certainty, the Vendor is not permitted to make the Purchase Agreement conditional upon:

- (a) receipt of a building permit;
- (b) receipt of an Closing permit; and/or
- (c) completion of the home.

| Item | Amount | Paragraph No. |
|--|--|--------------------|
| 1. Water Meter | \$500 | G(2) of Agreement |
| 2. Hydro Meter | \$1,250 | G(2) of Agreement |
| 3. Gas Meter | \$0 | G(2) of Agreement |
| 4. LawPro Transaction Levy | \$65 | G(2) of Agreement |
| 5. Boulevard tree planting and landscaping | \$500 | G(2) of Agreement |
| 6. Rear deck, if required to be installed | \$20,000 for 5000 series and 6000 series plans \$30,000 for all other plans | I(9) of Agreement |
| 7. Lookout basement, if required to be installed | \$25,000 for 5000 series and 6000 series plans \$35,000 for all other plans | I(9) of Agreement |
| 8. Walkout basement, if required to be installed | \$45,000 for 5000 series and 6000 series plans \$55,000 for all other plans | I(9) of Agreement |
| <p>The requirement of a rear deck or lookout basement or walkout basement are based on grading conditions and will only be charged if the grading is such that one of those conditions exist. Note that only one of the conditions can exist on any given lot and it is also possible that none of these conditions exist, in which case there will be no additional charge.</p> | | |
| 9. Registration of restrictive covenants (if applicable) | \$250 | G(2) of Agreement |
| 10. Creation of maintenance easements (if applicable) | \$275 | G(2) of Agreement |
| 11. Security Deposit | \$5,000 | G(3) of Agreement |
| 12. Electronic registration fee | \$372.50 | I(12) of Agreement |
| 13. Internet based delivery system costs | \$0 | I(12) of Agreement |

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Tarion Sch B - Part 2

| Item | Amount | Paragraph No. |
|---|--|----------------------------|
| 1. Interest on late deposits as well as NSF/Dishonoured Cheque Fee | interest at Royal Bank prime rate plus 3% charged on late deposits; \$250 for each NSF/Dishonoured Cheque | page 2 of Agreement |
| 2. Unauthorized work | Cost of removal or cost of supply, plus \$500 per occurrence | A(8) of Agreement |
| 3. Closing Delay caused by Purchaser | \$150 per day for each day of extension together with an amount equal to interest on the unpaid balance of the purchase price at the prime rate of interest charged by the Vendor's bank plus 5% per annum pro-rated for the period of time that the Closing was delayed | A(9) of Agreement |
| 4. Utility charges | to be apportioned and allowed to Closing Date | G(1) of Agreement |
| 5. Realty taxes (actual or estimated) | to be apportioned and allowed to Closing Date and may be based on Vendor's estimate | G(1) of Agreement |
| 6. Telecommunication services | to be determined in accordance with Vendor's statutory declaration | G(2) of Agreement |
| 5. Account set up or transfer fees with respect to tax and/or any utility accounts | to be determined in accordance with Utility/Municipal requirements | G(2) of Agreement |
| 7. Recycling Containers | \$0 | G(2) of Agreement |
| 8. Tarion, HCRA or other regulatory body enrolment or licensing fee | to be determined in accordance with Tarion schedule of fees | G(2) of Agreement |
| 9. Amendments to purchase price for extras and/or upgrades selected by the purchaser | to be determined at point of purchase | C(2) of Agreement |
| 10. Canada Post fee | Maximum \$200 to be determined in accordance with Canada Post/Municipal requirements | G(2) of Agreement |
| 11. Air Conditioner, if required by municipality and not included in purchase price | Maximum \$8,000 to be determined in accordance with Vendor's statutory declaration | G(2) of Agreement |
| 12. Fencing and retaining walls if required to be installed | to be determined in accordance with Municipal requirements | G(2) of Agreement |
| 13. Release of registered restrictions (if applicable) | to be determined by Municipality | G(2) and M(1) of Agreement |
| 14. Increased Levies or New Levies | to be determined in accordance with Vendor's statutory declaration | G(4) of Agreement |
| 15. Increased building costs | to be determined in accordance with Vendor's statutory declaration | G(5) of Agreement |
| 16. Retail Sales Tax | to be determined by Vendor | G(6) of Agreement |
| 17. Equipment Rental Charges | to be apportioned and allowed to Closing Date | H(1) of Agreement |
| 18. Legal fees for change or variance in title instructions | \$500 per occurrence | I(4) of Agreement |
| 19. Administrative fees for changes or variance in title instructions | \$500 per occurrence | I(4) of Agreement |
| 20. Increased building costs due to architectural control (ie, corner lots) | Maximum \$20,000 to be determined in accordance with Vendor's statutory declaration | I(8) of Agreement |
| 21. Legal fees and disbursements and Vendor's administrative fees arising from Purchaser's failure or delay in complying with the terms of the agreement of purchase and sale or amending adjustments or closing documents. | By occurrence, to be determined by Vendor at Vendor's sole discretion | J(7) of Agreement |
| 22. Breach of prohibition against sale or assignment. | \$5,000 per occurrence | K(1) of Agreement |
| 23. HST Rebate | in accordance with applicable legislation | N(1) of Agreement |
| 24. HST on adjustments, extras, and upgrades | in accordance with applicable legislation | N(2) of Agreement |
| 25. Increase in rate of HST | in accordance with applicable legislation | N(4) of Agreement |

SCHEDULE "DE"

DEPOSIT MONIES

Notwithstanding any provision of the Agreement or any of the schedules attached thereto, the Purchaser hereby acknowledges, confirms and agrees that:

- (1) The Agreement is not conditional on any early termination conditions described in paragraph 1.(b)(i) or 1(b)(ii) of Schedule "A" of the Statement of Critical Dates and Addendum (being Schedule "C" to the Agreement of Purchase and Sale), and the Vendor and its solicitors Anthony J Di Silvestro Professional Corporation ("AJD PC") are not required by the Statement of Critical Dates and Addendum to hold and the Vendor and AJD PC will not be holding any monies paid by the Purchaser to the Vendor, including deposits or monies for any extras or upgrades together with accrued interest, if any (collectively the "Deposits") in trust or pursuant to any of the provisions of para. 1.(c)(iv) of Schedule "A" of the Tarion Addendum, or otherwise on behalf of the Purchaser.
- (2) Any Deposits payable to Anthony J Di Silvestro Professional Corporation, in trust, are made so payable solely for the convenience of the Vendor and the Purchaser and are not required to be held in trust or pursuant to a deemed trust and AJD PC is not in any manner a trustee of the Deposits on behalf of the Purchaser.
- (3) **AJD PC is unconditionally and irrevocably authorized, directed and entitled to release and disburse all or any portion of the Deposits to the Vendor or to whomsoever or in whatever manner the Vendor may direct, at any time or times, without any notice to the Purchaser.**
- (4) The Purchaser hereby irrevocably releases, acquits, remises and forever discharges AJD PC: from any obligation whatsoever to hold any of the Deposits in trust; and from all actions, claims, demands, proceedings, complaints, losses and liabilities, however arising, both in law and in equity, for any matter set forth in this Schedule "DE" and the Purchaser shall not make any claim, directly or otherwise, whatsoever against AJD PC for same.
- (5) The Purchaser shall deliver substitute bank drafts or certified cheques to the Vendor and made payable to whomsoever or in whatever manner the Vendor may direct if requested by the Vendor at the Vendor's sole discretion for Deposits delivered by or on behalf of the Purchaser within five (5) days of written request and at no additional cost to the Vendor.
- (6) With the exception of the Statement of Critical Dates and Addendum, the provisions of this Schedule "DE" shall prevail in the event of any conflict between the provisions of the remainder of the Agreement and all other schedules thereto.
- (7) The Purchaser acknowledges having been given the opportunity to seek independent legal advice in connection with this Schedule "DE" and that the Purchaser has executed this Schedule freely, voluntarily without duress. The Purchaser shall not claim that the Purchaser is not party to this Schedule "DE" in any subsequent proceeding, and this Schedule "DE" shall operate conclusively as an estoppel by AJD PC for any matter set out in this Schedule and may be pleaded by AJD PC as a complete defence and reply and may be relied upon by AJD PC for any purpose.

The Purchaser specifically confirms having reviewed and understood the foregoing provisions and acknowledges and agrees that same has been called to the Purchaser's attention as evidenced by the Purchaser's signature below.

Dated this _____ day of _____ 202__.

WITNESS

PURCHASER

PURCHASER

PURCHASER

PURCHASER

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SCHEDULE "E"

WARNING CLAUSES/NOTICES/COVENANTS

Purchasers specifically agree as follows and acknowledge the following notices:

1. Purchasers of lots adjacent to Streets 'A' and 'D' are advised that there is the potential for slow moving traffic and noise associated with the vehicular drop-off area to the north side of the school and during special events, exterior lighting, and portable classrooms are normal operating conditions for a school.
2. School buses will not enter cul-de-sacs and pick up points will be generally located in through streets convenient to the Simcoe County District School Board. Additional pick up points will not be located within the subdivision until major construction activity has been completed,
3. The public schools on designated sites in the community are not guaranteed. Attendance at schools in the area yet to be constructed is also not guaranteed. Pupils may be accommodated in temporary facilities and/or directed to schools outside of the area.
4. Pupils from this development attending educational facilities operated by the Simcoe Muskoka Catholic District School Board may be transported to/accommodated in temporary facilities out of the neighbourhood school's area.
5. Purchasers of lots adjacent to Highway 93 are advised of the potential for noise and slow moving traffic.
6. Purchasers are advised that:
 - a. The home/business mail delivery will be from a designated Centralized Mail Box;
 - b. The developer will be responsible for officially notifying the purchasers of the exact Centralized Mail Box locations prior to the closing of any home sales; and
 - c. Any established easements are to be granted to Canada Post.
7. Purchasers of lots adjacent to the fire station are advised of the potential for noise.
8. Purchasers/tenants of Lots 1 to 4, 10, 11, 15 and 16 are advised that despite the inclusion of noise control features in this development area and within the dwelling units, noise due to increasing road traffic may continue to be of concern, occasionally interfering with the activities of the occupants as the sound level may exceed the noise criteria of the Municipality and the Ontario Ministry of the Environment and Climate Change. I, the purchaser hereby agree to place this clause in all subsequent offers of purchase and sale when I sell the property.
9. Purchasers/tenants of Lots 1 to 4, 10, 11, 15 and 16 are advised that the dwelling unit can be fitted with an air conditioning unit at the owner's option and expense which will enable the occupants to keep windows closed if road traffic noise interferes with the indoor activities. If central air conditioning is installed, the air cooled condenser unit shall have an AHRI sound rating not exceeding 7.6 bels and shall be located so as to have the least possible noise impact on outdoor activities of the occupants and their neighbours.
10. Purchasers/tenants of Lot 1 are advised that the acoustical berm and/or barrier as installed shall be maintained, repaired or replaced by the owner. Any maintenance, repair or replacement shall be with the same material, to the same standards, and having the same colour and appearance of the original.
11. Purchasers/tenants of Lots 103 to 118 are advised that the dwelling unit is in proximity to a future sanitary pumping station whose activities may at times be audible.
12. Purchasers acknowledge that further warning clauses may be required in accordance with paragraph 1(3) of this Agreement of Purchase and Sale.



HOMETOWN HILLSDALE

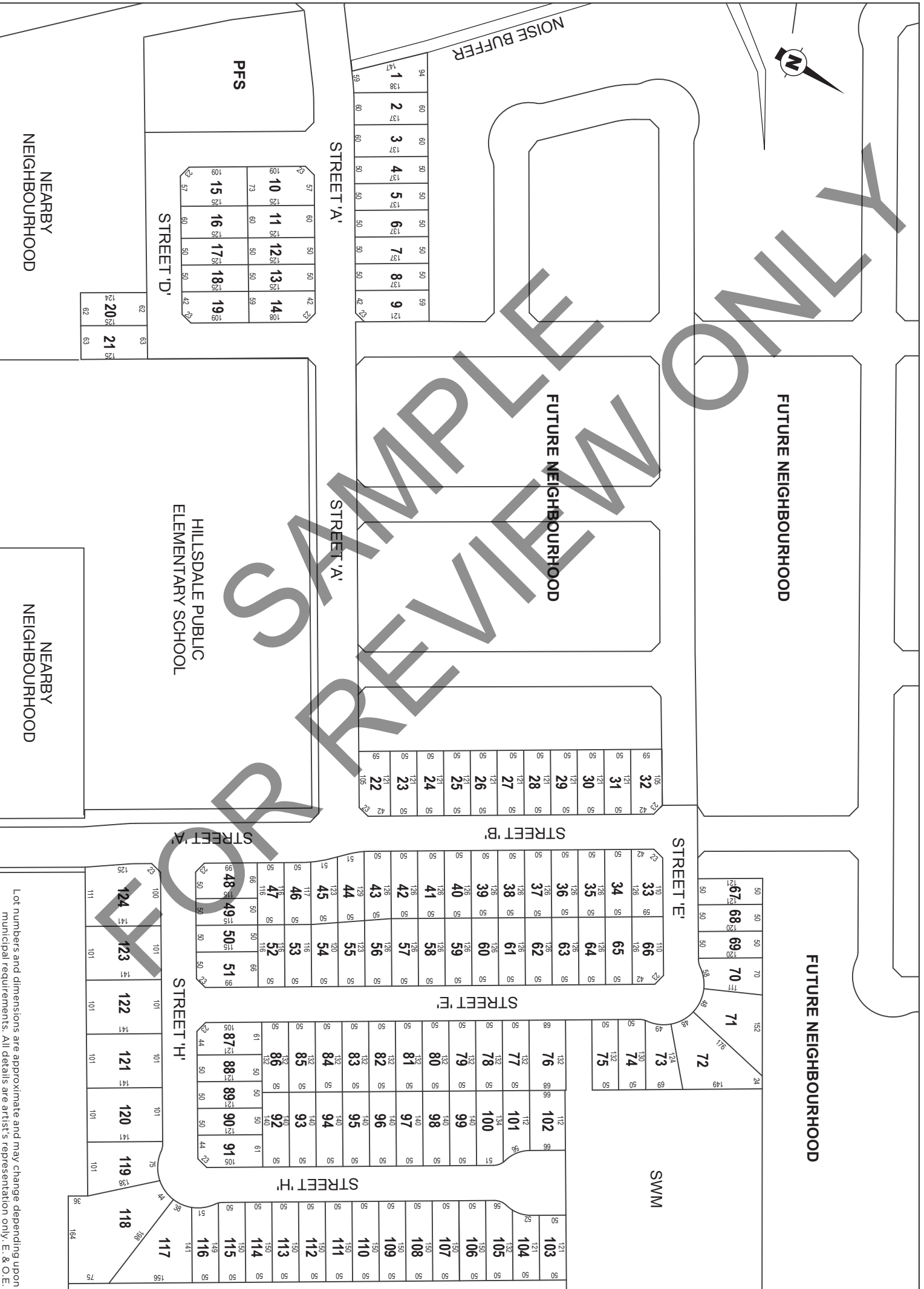
SITE PLAN

SCHEDULE S

Lot #. LOT

Vendor's Init. _____

Purchaser's Init. _____



Lot numbers and dimensions are approximate and may change depending upon municipal requirements. All details are artist's representation only. E. & O. E.

SCHEDULE "FLP" FLOORPLAN

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