

AGREEMENT OF PURCHASE AND SALE

OFFER

1. The undersigned Purchaser hereby agrees to and with the undersigned Vendor to purchase the property (the "Property") described below (and as may be shown on a schedule attached hereto) on the following terms:

_____ ("the Purchaser") hereby offers to purchase the proposed Lot/part of _____
 Lot No _____ Block _____ in New Seaton
 as shown on the attached plan, in the _____ City _____ of _____ Pickering _____ (the "Property"),
 which Property shall include the house to be constructed thereon pursuant to this agreement, including those features described in Schedule _____ B1 _____ (collectively the "Dwelling"),
 being Type _____
 from Brookfield Residential (Ontario) Limited (the "Vendor") on the terms and conditions contained in this Agreement, for _____ (the "Purchase Price") payable:

a) By payment to the Vendor of _____, plus further deposits (collectively, the "Deposit") payable to the Vendor by cheque, within the number of days from the date of this offer or on the dates set out below (or, if applicable, as set out on the schedule marked "Deposit"):

| | |
|------------------|---------------|
| Days/Date: _____ | Amount: _____ |
| Days/Date: _____ | Amount: _____ |
| Days/Date: _____ | Amount: _____ |
| Days/Date: _____ | Amount: _____ |
| Days/Date: _____ | Amount: _____ |

b) By payment of the balance of the Purchase Price, as adjusted pursuant to the provisions of this Agreement, to the Vendor on Closing.

CLOSING

2. The Closing (as defined in the Addendum and Statement of Critical Dates appended hereto) of the purchase of the Property shall occur on the date established pursuant to the provisions of the Addendum and Statement of Critical Dates which date is referred to herein as the "Closing Date".

SCHEDULES

3. Schedule(s) 1, AR, B1, D, K, K1, N, N-C, R, W, Z, Addendum and Statement of Critical Dates, Warranty Information Sheet, Options and Upgrades Agreement(s) and any addendum attached to this Agreement form a part of the Agreement (collectively the "Schedules"). The Purchaser confirms it has read and agrees to be bound by same.

ACCEPTANCE

4. This offer shall be irrevocable by the Purchaser until 11:59 p.m. on the _____, after which time, if not accepted, this offer shall be null and void. If accepted, this offer shall constitute a binding Agreement of Purchase and Sale.

FACSIMILE/COUNTERPART

The Vendor and Purchaser acknowledge that this agreement of purchase and sale (the "Agreement") may be executed and delivered by facsimile and both parties accept such facsimile document as legal and binding. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original and such counterparts together shall constitute one and the same document.

SIGNED this _____ the day of _____ in the presence of _____

Community Ambassador: _____ Purchaser: _____

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

DATED at Toronto this _____
 Per: _____ Per: _____
 Name(s){} Authorized Signing Officer(s)

| | | | |
|--------------------|---|-----------------------|--|
| Vendor | Brookfield Residential (Ontario) Limited | Purchaser | |
| Address | 3381 Steeles Avenue East, Suite 100 | Address | |
| | Toronto, ON M2H 3S7 | | |
| Tel: | 1-800-387-8545 | Tel: | |
| Fax: | 905-477-9001 | Fax: | |
| Email | ONTInquiries@brookfieldrp.com | Email: | |
| Vendor's Solicitor | BRATTYS LLP Attention: Melissa Jean-Gilles | Purchaser's Solicitor | |
| Address | 7501 Keele Street, Suite 200 | Address | |
| | Vaughan, Ontario L4K 1Y2 | | |
| Tel: | (905) 760-2600 | Tel: | |
| Fax: | (905) 760-2900 | Fax: | |
| Email: | | Email: | |

SCHEDULE "1"

1. ADJUSTMENTS

The balance due on the Closing Date after credit of the deposits paid by the Purchaser to the Vendor (the "Deposits") shall be adjusted on the Closing Date as to the items required by the terms of this Agreement (plus Applicable Taxes) which shall include, without limiting the generality of the foregoing, the following:

a) the Purchaser agrees to take all necessary steps to assume immediately on Closing, charges for electricity, water, gas and other services, and the Vendor may recover any payments made by the Vendor on account of the Property from the Purchaser. Any meter(s) for utility consumption monitoring is/are not included in the purchase if it/they is/are not the Property of the Vendor. The Purchaser shall pay, or reimburse the Vendor for the cost of, the charge made for, prepayments for, or security performance deposits relating to, any of the water, electricity, gas or other service, including, without limitation, the cost and/or installation of any meters, and the installation, connection and/or energization fees for any of such services. The Purchaser agrees to accept the utility suppliers designated by the Vendor. Subsequent to Closing and prior to assumption of the subdivision by the Municipality, if the Purchaser changes any or all of the utility suppliers, the Purchaser shall be responsible for the repair of any damage caused to the Property and neighbouring lands by such alternate utility suppliers and any costs incurred by the Vendor or Subdivider to restore the Property to the original state provided by the Vendor;

b) taxes, fuel, water rates, assessment rates and local improvements to be apportioned and adjusted with the Vendor being responsible for all such charges up to the Closing Date with the Purchaser being responsible for all such charges from and including the Closing Date. Where the Vendor has posted security for taxes, made payment for taxes or has been advised by the applicable authority that taxes will be billed to its account for the current year and/or following year, taxes shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained. In the event realty taxes have not been individually apportioned or assessed in respect of this Property and remain en bloc, then notwithstanding that such en bloc taxes may be outstanding and unpaid, the Purchaser covenants to complete this transaction and accept the Vendor's undertaking to pay realty taxes once individually assessed against this Property and agrees to pay on Closing a deposit to be readjusted and to be applied on account of the Purchaser's portion of realty taxes applicable to this Property. Municipal realty tax re-assessment and/or supplementary tax bills relating to the Dwelling constructed on the Property issued subsequent to the Closing shall be the sole responsibility of the Purchaser. Notwithstanding the foregoing, the Vendor shall not be obliged to make any readjustment of the foregoing deposit in the event that such readjustment is equal to or less than \$150.00;

c) the transaction levy surcharge imposed upon the Vendor or its solicitors by the Law Society of Ontario, plus Applicable Taxes, shall be reimbursed to the Vendor on the Closing;

d) any enrolment and/or regulatory fees paid by the Vendor for the Property under, pursuant to or as a requirement or prerequisite of any governmental authority and any of the following: the Ontario New Home Warranties Plan Act (the "**Warranty Act**"), New Home Construction Licensing Act, 2017, or by any of the regulators or authorities pursuant to any of the foregoing, including, without limitation, the Tarion Warranty Corporation ("Tarion") and the Home Construction Regulatory Authority ("HCRA"), plus Applicable Taxes;

e) a \$350.00, plus Applicable Taxes, administrative fee shall be charged to the Purchaser on Closing for any direct deposit or cheque paid for a deposit or for any upgrades which is not honoured or accepted by the Purchaser's bank for any reason, including, without limitation, a cheque returned N.S.F. or upon which a "stop payment" has been ordered;

f) the amount of the development charges and education development charges paid by the Vendor pursuant to the *Development Charges Act*, the *Education Act* or any successor or replacement legislation in excess of the amount of the development charges and education development charges that would have been payable by the Vendor with respect to the Dwelling if same had been paid on the date of execution of this Agreement by the Purchaser, plus Applicable Taxes thereon. If the amounts owing under this subsection are not attributable, assessed against, charged or imposed against the Dwelling individually, then the Vendor shall be entitled to a reimbursement for the foregoing, as may be apportioned by the Vendor, acting reasonably. There shall be no credit or adjustment whatsoever in favour of the Purchaser in the event of any decrease in the amount of development charges and education development charges payable by the Vendor pursuant to the *Development Charges Act*, the *Education Act* or any successor or replacement legislation;

g) in addition to the amount set out in Section 1(f) above, the amount of any other levies, charges, payments, contributions, fees or assessments, including without limitation, any parks levies, cash-in-lieu of parkland dedication payments, new development charges, new education development charges, public art contributions and/or impost charges, assessed against or attributable to the Dwelling by the Municipality, a regional municipality, a transit authority, a public or separate school board or any other authority having jurisdiction under the *Development Charges Act*, the *Education Act*, the *Planning Act* and any other existing or new legislation, regulation, bylaw and/or policy of a similar nature, plus Applicable Taxes thereon. If the amounts owing under this subsection are not attributable, assessed against, charged or imposed against the Dwelling individually, then the Vendor shall be entitled to a reimbursement for the foregoing, as may be apportioned by the Vendor, acting reasonably;

h) all proper readjustments shall be made after Closing, if necessary, forthwith upon written 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 12% 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. The Vendor may reserve a Vendor's Lien, following the Vendor's usual form, for unpaid purchase monies or adjustments or claims herein provided together with the interest thereon as provided for herein, and the Purchaser covenants and agrees to forthwith pay all costs in relation to said Vendor's Lien including, without limitation, the Vendor's solicitor's legal fees and disbursements and the cost to register said Vendor's Lien on title to the Property. The Vendor will upon

request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's Lien after such unpaid purchase monies or adjustments or claims herein provided, as applicable, together with the interest thereon as provided for herein have been received by the Vendor and upon payment of a discharge fee of \$100.00 plus Applicable Taxes;

i) the Purchaser shall provide a refundable security deposit (the "**Security Deposit**"), in the amount of \$3,500.00 on the Closing to secure compliance with the Purchaser's obligations hereunder including, without limitation, the Purchaser's grading and subdivision damage covenants. The Purchaser and/or the Purchaser's designate does hereby agree that at the time of the PDI or such other time as may be set by the Vendor, the Purchaser and/or the Purchaser's designate will attend at the Property and upon such request, the Purchaser and/or the Purchaser's designate and Vendor mutually agree that they will attend at the Property to inspect with the Vendor the subdivision services installed by the Vendor or Subdivider and to compile a list of all existing damages or defects to the subdivision services, including buried or damaged water boxes and keys, damaged curbs or sidewalks, retaining walls, acoustic barriers, fences and other such applicable services. Such compiled list to be signed by the Vendor and the Purchaser and/or the Purchaser's designate, and the Purchaser shall not under any circumstances be responsible for the cost of repair, rectification or replacement of such existing damages or defects and the Vendor shall not apply any portion of the Security Deposit paid by the Purchaser in compliance with this Agreement in respect of the repair, rectification or replacement of any such existing damages to the subdivision services. The Subdivider's consulting engineer for this subdivision shall be the authority for the development of the subdivision as a whole and will determine responsibility and damages and costs therefore and in the event that the Subdivider's consulting engineer determines the responsibility for the cost of repair, rectification and/or replacement is that of the Purchaser, then the Vendor will charge the Purchaser accordingly, save and except for those items listed on inspection as noted herein and the Purchaser agrees to abide by such engineer's decision and the Vendor will deduct the cost of such repair, rectification or replacement from the Security Deposit relevant thereto. Should the cost of such repairs, rectification or replacement EXCEED the value of the Security Deposit, then the Vendor shall be entitled to compensation from the Purchaser for the difference between the Security Deposit and such costs and the Purchaser shall pay such shortfall amount upon demand by the Vendor. The Security Deposit, (or any balance thereof after applicable deductions as herein described) shall be released to the Purchaser(s) named in this Agreement AFTER the event of Municipal Assumption of Subdivision Services;

j) in the event the Vendor has undertaken an obligation for subdivision esthetic enhancement such as boulevard treatment or improvement, or landscaping (including tree planting), or subdivision entrance features, or corner lot fencing, or fences or retaining walls, in the Subdivision, the Purchaser shall, on Closing, reimburse the Vendor as to the cost thereof for the Property, the cost to be absolutely determined and apportioned by the Vendor;

k) the fee, plus Applicable Taxes, paid by the Vendor to Canada Post for the provision of mail delivery services to the Property by way of a central mailbox shall be reimbursed to the Vendor on the Closing, if applicable;

l) in the event the Vendor has provided the Purchaser with a building or foundation survey, the Purchaser shall reimburse the cost of same plus Applicable Taxes to the Vendor as an adjustment on Closing;

m) if the governing authority requires the Vendor to install an air-conditioning unit for the Dwelling, then the Purchaser shall reimburse the cost of same plus Applicable Taxes to the Vendor on Closing;

n) any charges, plus Applicable Taxes, paid by the Vendor to the Municipality and/or other governmental authority with respect to "Blue Boxes" or other recycling programs, such charges to be absolutely determined by statutory declaration sworn on the part of the Vendor shall be reimbursed to the Vendor on the Closing; and

o) a \$150.00, plus Applicable Taxes, administrative fee shall be charged to the Purchaser for each sum that the Vendor permits to be paid on account of the Purchase Price for the Property by wire transfer or direct deposit. All payments by wire transfer or direct deposit shall be made in strict accordance with the provisions of the Vendor's wire transfer and direct deposit form, which may be amended by the Vendor from time to time. Without derogation from any other right or remedy of the Vendor, if such form is not complied with and a wire transfer or direct deposit is made on account of the Purchase Price, the Purchaser shall pay an additional adjustment of \$150.00, plus Applicable Taxes, as an administrative fee per occurrence.

2. SUBDIVISION MATTERS

a) The Vendor, or any subdivider (the "**Subdivider**") of the plan of subdivision in which the Property is situate, or their respective servants or agents may, for such period after Closing as is designated by the Subdivider and/or Vendor, enter upon the Property at all reasonable hours to enable completion or correction of sodding, fencing, corner lot screens or fences, subdivision aesthetic enhancement features, to inspect, repair, complete or rectify construction, grade and undertake modifications to the surface drainage, including installation of catch basins, without liability therefor, and the Transfer/Deed may contain such provisions.

b) 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 Subdivider 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 covenants and agrees not to damage or alter any subdivision service, and shall be liable for the cost of rectification of any such damage or alteration, and in the event same is not paid upon demand, the Vendor shall have the right to register a lien on title to secure such payment. The Purchaser agrees that neither the Purchaser(s) nor their successors or assigns shall construct or install a swimming pool, hot tub, underground sprinkler system, fencing, decking, curbs, retaining walls, landscape rocks, trees, shrubs, gazebos or other structures, nor shall the Purchaser alter or widen the driveway upon the Property until after the Vendor has obtained acceptance of lot grading from the Municipality and the Subdivider and after the Purchaser has made due application for (if applicable) any permits required for such work by the Municipality or any other authority with jurisdiction. The Purchaser agrees to remove such additions and/or improvements at its own cost upon the Vendor's request,

failing which the Vendor may remove same at the Purchaser's expense. Any changes to the grading in contravention of the foregoing 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 the Security Deposit resulting from the Purchaser's contravention of the foregoing.

c) The Purchaser acknowledges that construction of the Dwelling may be subject to the requirements of the architect appointed by the Subdivider (the "**Subdivider's Architect**") and the Purchaser agrees to accept the Property subject to any changes, variations or restrictions now or hereafter imposed by the Subdivider or Subdivider's Architect.

d) The Purchaser acknowledges that the dimensions of the Property set out in this Agreement or on any schedule attached hereto or shown on drawings or plans made available to the Purchaser on site or otherwise are approximate only. In the event the frontage, depth or area of the Property is varied from those specified in the Agreement, or on any schedule attached hereto or shown on drawings or plans made available to the Purchaser on site or otherwise, as aforesaid, or any or all of the foregoing and provided the Property complies with municipal and other governmental requirements including zoning by-laws, 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. In addition to the foregoing, if minor variations to the size of the Dwelling including internal dimensions of any areas are made to the Dwelling the Purchaser shall accept such minor variations without any abatement to the Purchase Price.

e) All exterior elevations and colours are architecturally controlled and approved. No changes whatsoever will be permitted to the aforementioned prior to assumption of the Subdivision by the Municipality, and the Purchaser hereby acknowledges notice of same and agrees to accept the exterior elevation and colour scheme as architecturally controlled and approved. 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.

f) 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 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.

g) Subdivision esthetic enhancements such as boulevard treatments, landscaping (including tree planting), entrance features, or corner lot fencing, or fences or retaining walls may be erected/placed/installed within the Subdivision in accordance with municipally approved plans. Such subdivision esthetic enhancements may not necessarily apply to/benefit all dwellings within the Subdivision. The erection/placement/installation and/or spacing of subdivision esthetic enhancements such as municipal trees and/or privacy fencing may be sporadic in accordance with municipally approved plans and the overall design objectives of the Municipality/Subdivider. Purchasers who do not receive/benefit from any subdivision esthetic enhancements such as a municipal tree or privacy fencing are not entitled to any refund/abatement of any sums payable to the Vendor hereunder. In the event this Agreement, any schedule hereto or other matter obligates the Vendor to install or provide any of the features set out herein, such matters will be provided and installed at the times determined by the Vendor and shall not comprise outstanding deficiencies or matters with respect to the completion of the Dwelling, and the Purchaser specifically acknowledges, covenants and agrees that any such features shall be installed at the times determined by the Vendor in its sole and absolute discretion.

h) The Purchaser acknowledges and agrees that any lands shown as future development blocks or any other uses whatsoever on any plans or drawings in respect of the Subdivision, including proposed church block(s), school block(s), residential block(s), parks or park block(s), open space areas or blocks, landscaped areas or blocks, if any, on the plan of subdivision and/or the Site Plan in respect of the Subdivision are subject to changes in uses for different uses than as previously proposed or intended. Accordingly, the Purchaser acknowledges that there is a possibility that these proposed uses may be changed to other uses such as townhome or apartment developments, seniors' residences or other community uses. The Purchaser acknowledges receipt of notice from the Vendor in respect of the foregoing changes of use and that the Vendor, or any other party, may apply for a re-zoning with respect to blocks or lots, and the Purchaser, the Purchaser's successors and assigns, shall consent to any such applications and agrees that it shall not object to any such applications or changes of use and furthermore that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zoning or applications for any changes of use.

3. CONSTRUCTION

a) The Vendor will construct (if not already constructed) and complete upon the Property a dwelling (the "**Dwelling**") of the type hereinbefore indicated in accordance with the plans of the Vendor therefore and filed or to be filed with the Municipality in order to obtain a building permit and the specifications set out in Schedule B1 annexed hereto. The Vendor shall have the right from time to time to make reasonable changes in the opinion of the Vendor to the plans and specifications of the Dwelling (regardless whether the aforesaid have been submitted to the relevant governmental authority) and any changes required by any relevant governing authority in the plans and specifications of the Dwelling and every aspect thereof if required and to substitute other material for that provided for under this Agreement or in the plans and specifications of the Dwelling, provided that such alternative material is of a quality equal to or better than the material hereunder or in the plans and specifications and the Purchaser agrees to complete this transaction notwithstanding same and the Purchaser hereby consents to such changes and substitutions. The Purchaser acknowledges and agrees that the Vendor may insert or add any items, including without limitation, windows, columns, fire walls, conduits, beams, ductwork, pipes, risers and/or bulkheads within the Dwelling and/or remove, change, delete, vary, alter or modify the number, size and location of any of the foregoing items from the number, size and/or location of same as displayed or illustrated in the sketch attached hereto as Schedule "A" or any promotional material or information which may include, without limitation, sales brochure(s), model(s), rendering(s), vignette(s) and/or floor plan(s) previously delivered or shown to the Purchaser or to the public (regardless of the extent or impact thereof). The Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such insertions, additions, removals, changes, deletions, variations, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof. The Dwelling shall be deemed to be completed for the

purposes of Closing when the requirements of the Addendum and Statement of Critical Dates have been met and the Purchaser agrees in such case to close this transaction, without holdback of any part of the Purchase Price, on the Vendor's undertaking given pursuant to section headed "COMPLETION AND ONTARIO NEW HOME WARRANTIES INSPECTION" hereof to complete the Dwelling, and the Purchaser hereby agrees to accept the Vendor's covenant of indemnity regarding lien claims which are the responsibility of the Vendor, its trades and/or suppliers, in full satisfaction of the Purchaser's rights under the Construction Lien Act, and will not claim any lien holdback on Closing. If by reason of "Unavoidable Delay" as defined in or as otherwise permitted by the Addendum and Statement of Critical Dates the Vendor is required to extend the Closing, the Vendor shall be entitled to extend the Closing provided the Vendor complies with the provisions of the Addendum and Statement of Critical Dates in respect of such extensions. The Dwelling shall be deemed to be completed when all interior work has been substantially completed as determined by the Vendor and provided that the provisions of paragraph 9 of the Addendum and Statement of Critical Dates attached hereto have been complied with. The Purchaser agrees to complete this transaction notwithstanding any claims submitted to the Vendor and/or Tarion or otherwise in respect of apparent deficiencies or incomplete work.

b) Acceptance of construction, siting and grading by the Municipality shall conclusively constitute acceptance by the Purchaser. The Vendor shall have the right to substitute materials for those designated in the plans and/or specifications provided the quality is equal or better, and also to make minor changes in plans, siting and specifications, provided there is no objection from the Municipality.

c) 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 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 Subdivider. 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 this Agreement, or amend the driveway construction, boulevard tree planting or landscaping plan for this Dwelling (all of which is hereinafter referred to as the "**Amended Elevation**"), the Purchaser hereby irrevocably authorizes the Vendor to complete the Dwelling herein including the required Amended Elevation, and the Purchaser hereby irrevocably agrees to accept such Amended Elevation in lieu of the elevation specified in this Agreement. 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 approved by the Municipality or any other authority having jurisdiction over same, 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 constructs the Dwelling at a grade level different than as depicted in the plans or drawings attached hereto, sales brochures, renderings or any other plans and specifications whether or not approved by the Municipality or any other authority having jurisdiction over same, necessitating a step, landing or series of steps to the front door, side door, rear door, any door from the garage 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 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.

d) The Purchaser hereby acknowledges 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 with a walk-out basement, look-out, rear deck or with other elevations or conditions where so indicated in this Agreement, or vice versa. In the event this Agreement calls for a walk-out basement, look-out, rear deck or other elevations or conditions and such is not possible or reasonable in the Vendor's opinion or in the event this Agreement does not call for a walk-out basement, look-out, rear deck or other elevations or conditions and such is required, pursuant to final approved grading and engineering plans, the Purchaser shall accept a credit in the Purchase Price, or, pay the additional cost involved in constructing such walk-out basement, look-out, rear deck or other elevations or conditions as the case may be (such costs shall be absolutely determined by the Vendor).

e) The Purchaser acknowledges that certain lots within the subdivision may, at the Vendor's sole, absolute and unfettered discretion, require catch basins in the rear yard and associated leads, drainage systems, weeping pipe/sump pump systems, retaining walls, fencing, landscaping, feature walls or community features and other subdivision enhancement features, and the Purchaser covenants and agrees that in the event the Property contains any of the foregoing items, after Closing, the Purchaser shall maintain all such items in proper working condition. Additionally the Purchaser is advised that community mailboxes, electricity transformers, gas mains, water mains, street light poles, fire hydrants, telephone service equipment, cable television service equipment, data service provider equipment, catch basins and associated leads, drainage systems, weeping pipe/sump pump systems, retaining walls, fencing, landscaping and other subdivision enhancement features and all equipment and utility infrastructure of any of the foregoing utility services and any other equipment and utility services providing service to the Subdivision, which services or utility infrastructure may include above-grade equipment and any safety equipment relating to same such as concrete bollards, may front onto, or flank or be located within certain lots (including, without limitation, the Property) within the Subdivision, and the Purchaser agrees to accept title to the Property subject to any of the foregoing items being located within, fronting onto, or flanking, the Property.

f) In the event the Purchaser completes this transaction and occupies the Dwelling at a time prior to the Vendor completing all of its work or construction within the Subdivision, the Purchaser covenants and agrees to permit the Vendor and its agents and subtrades to enter upon the Property for the purposes of completing work on the Property, an adjoining property or other properties in the Subdivision and the Purchaser shall not interfere with any work or construction being so performed by the Vendor, the Subdivider and their agents and subtrades. The Purchaser agrees that this covenant may be pleaded by the Vendor as an estoppel to any action or opposition by the Purchaser.

g) The Purchaser covenants and agrees that he shall pay to the Vendor for all extras, upgrades or changes

ordered by the Purchaser in accordance with the terms of any documents/agreements pertaining to the purchase of said extras, upgrades or changes and the Purchaser further acknowledges and agrees that such payment is non-refundable in the event that this transaction is not completed as a result of any default hereunder of the Purchaser. Notwithstanding anything herein contained to the contrary, the Purchaser acknowledges and agrees that if, upon Closing, any of the extras, upgrades or changes ordered by the Purchaser remain incomplete in whole or in part or if the Vendor shall, in its sole discretion, determine that it will not provide extras, upgrades or changes or cannot complete the extras, upgrades or changes then there shall be refunded or credited to the Purchaser that portion of the amount paid by the Purchaser in connection with such extras, upgrades or changes allocated to those extras, upgrades or changes which remain incomplete in whole or in part as aforesaid, as determined by the Vendor. The Purchaser further acknowledges and agrees that the amount so paid to the Purchaser (or for which, in the alternative, in the Vendor's discretion, the Purchaser received credit in the Statement of Adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be released from any and all obligation, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes. In the event the Purchaser neglects to advise the Vendor forthwith upon request as to the Purchaser's selection of finishing specifications, or orders any extras, upgrades in interior finishings, or performs any work in or about the Dwelling which causes delay in the Vendor's construction operations, the Vendor may require the Purchaser to complete this transaction on the Closing herein set out without holdback of any part of the Purchase Price, on the Vendor's undertaking to complete any of the Vendor's outstanding work.

h) The Vendor is not responsible for shade difference occurring in the manufacture of items such as, but not limited to, finishing materials or products such as carpet, floor tiles, roof shingles, brick, cement board, aluminum or vinyl siding, bath tubs, water closets, sinks, stone, stucco and other such products where the product manufacturer establishes the standard for such finishes. The Vendor is also not responsible for colour variations or variations in material characteristics or features such as veining, grain or grain direction, knotting etc. in natural products or the finishes on natural products such as but not limited to marble, granite, hardwood flooring, kitchen cabinets, wood stair railings, spindles, trim, nosings, thresholds as well as stains or finishes applied to any of the aforesaid which colours may vary when finishes are applied to them. Nor shall the Vendor be responsible for shade difference in colour of components manufactured from different materials but which components are designed to be assembled into either one product or installed in conjunction with another product such as but not limited to toilet seats, toilets, bathtubs, cabinet finishes and paint and in these circumstances the product as manufactured shall be accepted by the Purchaser. The Purchaser acknowledges and agrees that (i) carpeting may be seamed in certain circumstances and said seams may be visible; (ii) hardwood, laminate or other flooring materials may react to normal fluctuating humidity levels contributing to gapping or cupping; (iii) there may be different levels of flooring which may require transition strips, nosings or thresholds; (iv) tiles will have varying amounts of tile lippage (i.e.: uneven installation); and (v) tile grout widths will vary and will be determined at the sole discretion of the Vendor, and the Purchaser agrees that in any of the forgoing eventualities are considered to be acceptable by industry standards and the Purchaser shall make no claim whatsoever against the Vendor in the event of same.

i) All dimensions and specifications on sales brochures and other sales aides are artists' concepts only and are approximate and subject to modification without prior notice at the sole discretion of the Vendor in compliance with the Ontario Building Code. The designation of door swings, including entrance doors, interior doors, shower doors (if any) and doors from the garage to the interior of the Dwelling, if any, in any schedules attached hereto or sales brochures and other sales aides are conceptual only and are subject to modification without prior notice at the sole discretion of the Vendor. The Purchaser acknowledges and agrees that attic hatches or access points may be located within any location determined by the Vendor in its sole discretion, including without limitation, within any hallway, room, closet or interior wall. The location of mechanical installations may not be as shown (or not shown, as the case may be) on sales documentation and will be located in accordance with approved plans and/or good construction practice and may result in room size or garage size reduction caused by the mechanicals being installed. The Purchaser acknowledges being advised by the Vendor that the Vendor has experienced a high rate of theft of air-conditioning units when they are installed prior to the Closing. Accordingly, the Purchaser acknowledges that if the Agreement herein calls for the Vendor to install an air-conditioning unit, the Vendor has the right to install that unit, in accordance with the Agreement, within 7 days after the Closing, weather permitting. The Purchaser shall not be entitled to any holdback on account of the Purchase Price notwithstanding that the air-conditioning unit is not installed at the Closing. Notwithstanding the foregoing, in the event that the Purchaser requires the air-conditioning unit to be installed prior to the Closing, the Purchaser shall make written request therefor, such request to be received not later than 30 days prior to the Closing by way of separate written request addressed to the Vendor's solicitor and the Purchaser acknowledges that the Purchaser shall assume all liability for the air-conditioning unit in the event that it is stolen after its installation prior to the Closing and the Vendor shall not be obliged to replace same nor shall there be any adjustment in the Purchase Price with respect thereto.

j) In the case of the purchase of a townhome by the Purchaser (if applicable) the Purchaser acknowledges that: the concept plans displayed in the sales office and/or in promotional brochures or media (including any websites), do not necessarily represent any specific block to be built by the Vendor; the Vendor has not artistically rendered all block scenarios and combinations of model types available; final block plans will feature similar but not necessarily identical architectural details; variances from block to block will reflect, amongst other things, the number of units in respective blocks, final siting combinations of actual model types within respective blocks, roof designs that evolve in conjunction with the combination of various model types constituting specific blocks, unit stepping due to grading within respective blocks and the location of required partywalls and firewalls (if applicable) per respective block plan.

k) Where any portion of any fence and/or retaining wall and/or the foundation is within 12 centimeters 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 portion of any fence and/or retaining wall is not deemed to be a Permitted Encroachment (an "**Unpermitted Encroachment**") then the Purchaser shall complete the

transaction herein either upon the Vendor's undertaking to take all reasonable lawful steps to remove the Unpermitted Encroachment; or, at the Vendor's sole option, upon an abatement in the Purchase Price, such abatement to be calculated by multiplying the Purchase Price by the ratio of the area of the Unpermitted Encroachment to the total area of the Property. Despite anything hereinbefore set out, the whole of any fence and/or retaining wall erected by any governmental authority, utility or railway or pursuant to any Subdivision, Site Plan or Development Agreement shall be deemed to be a Permitted Encroachment and the Purchaser agrees to maintain all such fencing and/or retaining wall to the satisfaction of the appropriate authority.

l) Where a dwelling type has a sunken foyer, landing or hallway leading to a front porch (at the front door entry), the ceiling area below the porch slab and other relevant areas will be reduced and this height may vary up or down, caused by the number of risers from the main floor to the dropped landing, as per applicable plan. Notwithstanding that the sales aids, such as brochure plans or sketches may refer to these areas as cold rooms, storage areas, cantinas or fruit cellars, they shall be treated and referred to as crawl space, notwithstanding that the Purchaser may be desirous of using this space for other purposes. The Purchaser hereby acknowledges these facts and accepts the Dwelling as built and will make no claims whatsoever relevant thereto. Furthermore, any reference to ceiling heights in this Agreement, the schedules attached hereto or in sales material, if any, shall mean the approximate height and such heights will be reduced by sound attenuation features, finishes of floors and ceilings and installations such as bulkheads, etc..

m) In the event that the Dwelling includes stucco to be installed on the exterior of the Dwelling, the Purchaser acknowledges that there may be a variance or unevenness of up to one-half of an inch (1/2") in a ten foot (10') span, which the Purchaser agrees to accept, without objection or claim for compensation. In the event that the Dwelling includes stucco to be installed on the exterior of the Dwelling, the Purchaser acknowledges that there may be variance in the colour of such stucco and that the Vendor shall choose, in its sole, absolute and unfettered discretion, the texture of such stucco, and the Purchaser agrees to accept same without objection or claim for compensation.

n) The Purchaser acknowledges and agrees that drainage holes may be required, as determined and where required by the Vendor, on all or any of the exterior finishing and/or cladding of the Dwelling.

4. RENTAL EQUIPMENT

Unless expressly provided in this Agreement, the hot water heater/tank and related equipment, the heat pump and all other heating and ventilation equipment and any other equipment or included in any schedule attached hereto as rental equipment (the "Equipment") for the Dwelling, if any, is not included in the Purchase Price and shall remain chattel property. The Purchaser acknowledges that (i) the Equipment may be non-owned (ii) the terms governing the lease/rental for the Equipment will be provided by the Vendor prior to closing and the Purchaser may be required to execute a lease/rental document containing the terms prior to closing; and (iii) the terms of the lease/rental may contain a buy-out option allowing the Purchaser to purchase the Equipment if desired. If any provider of the Equipment no longer rents the Equipment and if arrangements are not made with another supplier for the installation of the Equipment on a rental basis, then notwithstanding anything to the contrary in this Agreement, the Purchaser shall pay, as an adjustment on closing, the cost of the Equipment, such cost to be determined by the Vendor. The Purchaser acknowledges and agrees that it shall only utilize the hot water heater/tank supplied by the Vendor within and upon the Property and the Purchaser is prohibited from installing or utilizing any other hot water heater/tank, without the Vendor's prior written consent.

5. UTILITIES

If requested by the Vendor or any Utility Provider (as defined below), then the Purchaser agrees to enter into or assume a contract with the provider of any utility and/or the party monitoring consumption of same to the Property (the "Utility Provider"), on the Utility Provider's form, for the provision and/or metering of utilities and/or services to the Property. The fees, costs and charges (including, without limitation, any rental, security deposit, administration, commodity and non-commodity fees/charges) for such utilities and/or for monitoring consumption of same shall be adjusted for the month of Closing with the Purchaser being responsible for such fees, costs and charges from and after the Closing Date.

6. COMPLETION AND ONTARIO NEW HOME WARRANTIES INSPECTION

a) The Purchaser or its designate shall inspect the Dwelling, such inspection hereinafter referred to as the Pre-Delivery Inspection (the "PDI") prior to the Closing Date with a representative of the Vendor at a time appointed by the Vendor and the parties shall indicate on the face of the Vendor's PDI Form (the "Certificate") the approval of the Purchaser, which shall be subject only to the completion of seasonal work, and any items uncompleted, and listed thereon (or on an addendum thereto), and save as to such list the Purchaser shall be conclusively deemed to have accepted the Dwelling as complete in accordance with this Agreement. The Purchaser covenants and agrees that prior to performing the PDI, the Purchaser has accessed the online Learning Hub and reviewed the relevant materials, including any modules, brochures and/or other materials, on Tarion's website and will sign an acknowledgement on the Vendor's standard form in respect of same, forthwith upon request by the Vendor. The Vendor will complete all matters set out in the Certificate as soon as reasonably practicable. Further, the Vendor agrees to rectify any defects in materials or workmanship covered by the Warranty Act's warranty issued to the Purchaser as soon as reasonably practicable after the same will have been called to the Vendor's attention by notice in writing and in accordance with the guidelines of Tarion. Except for the aforementioned inspection with the Vendor's representative, the Purchaser shall not enter (and shall not direct or cause anyone to enter) the Property and the Dwelling until the Purchaser has completed his obligations under this Agreement on the Closing Date. The Purchaser shall provide the Vendor with written notice, at least 5 days prior to the date appointed by the Vendor for the PDI, irrevocably appointing the Purchaser's designate, if any. The Purchaser acknowledges and agrees that: (i) warranty information is available on Tarion's website via the following link: <https://www.tarion.com/homeowners/learning-hub>; and (ii) the Purchaser shall execute any confirmation or statements confirming that the Vendor has provided the foregoing link to the Purchaser in accordance with Tarion's requirements.

b) The completion of the foregoing inspection and the preparation and endorsement of the Certificate are conditions of the Vendor's obligation to complete this transaction. Failure by the Purchaser to attend at the appointed time for the inspection and to complete the Certificate shall be deemed to be a default by the Purchaser under this Agreement. The Vendor, at its sole option, may thereupon either terminate the transaction, or may elect to complete the Certificate on behalf of the Purchaser. The Purchaser hereby irrevocably nominates,

constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for this purpose.

c) The Purchaser agrees to forthwith upon request do all acts and execute and deliver all documents, both before and after Closing, as may be required by the Vendor or the relevant municipality (the "**Municipality**") in connection with the acceptance of the subdivision as a whole by the Municipality.

d) Keys will be released to the Purchaser at the construction site or the sales office or the head office of the Vendor, as the Vendor in its absolute discretion determines, unless otherwise specifically agreed in writing between the Vendor and the Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by five o'clock (5:00) p.m. on that day, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario).

7. CONVEYANCE

In the event the Vendor is unable to deliver to the Purchaser on or before Closing a conveyance of the Property free and clear of all encumbrances save as may be provided for in this Agreement, for any reason whatsoever, the Vendor at its option may require the Purchaser to pay the Vendor the balance due on Closing, which shall be deposited with the Vendor's solicitors in trust, with the interest earned to the benefit of the Vendor, and take possession of the Property on the Vendor's undertaking to deliver a conveyance in accordance with the provisions of this Agreement within such period as the Vendor may require and execute the Vendor's Possession Undertaking. From and after the date of possession the Purchaser shall be responsible for realty taxes, water, electricity, gas and other public or private utilities and payment to the Vendor of interest on the unpaid Purchase Price at the same rate of interest that the Purchaser is being charged by his lender as confirmed by the Purchaser providing to the Vendor's solicitor a copy of the Purchaser's mortgage commitment. The parties further agree that upon the Vendor delivering to the Purchaser a conveyance in accordance with the terms of this Agreement, the monies held in trust shall be released to the Vendor and any further adjustments that may be required shall be made at the time of the delivery of the conveyance. The Vendor's solicitor shall undertake to the Purchaser not to release such monies to the Vendor until the Vendor has delivered a conveyance to the Purchaser in accordance with the terms of this Agreement.

8. TITLE

a) Provided the title is good and free from all encumbrances except as herein provided, and except as to building and other restrictions, and to any easement or right-of-way granted or to be granted for installation and/or maintenance of services, telecommunication, cable television systems, and all related or appurtenant equipment, mutual driveways, and for maintenance and repair of adjoining dwellings, if applicable. Furthermore, title to the Property may be subject to encroachments by portions of the buildings located on abutting lands, including eaves, eavestroughing, downpipes, or other attachments to the roofs, footings, drainage pipes, utility meters and other projections of the buildings, and the Purchaser further acknowledges that portions of the Dwelling may encroach onto abutting lands where the right to do so exists. The Purchaser accepts legal access to the subject Property even though it may be restricted by 0.3 metre reserves owned by the Municipality and not yet dedicated as public highway. The Purchaser is not to call for the production of any title deeds, abstract or other evidence of title except as are in the possession of the Vendor. The Purchaser is to be allowed 60 days prior to the Closing, to examine the title at his own expense and if, within that time, any valid objection to title is made in writing to the Vendor which the Vendor shall be unable or unwilling to remove and which the Purchaser will not waive this Agreement shall, notwithstanding any intermediate act or negotiations be void and the deposit monies shall be returned, without interest, and the Vendor and the Broker shall not be liable for any damages or costs 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 Property. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's solicitors and that the same shall constitute satisfactory manner of responding to the Purchaser's requisitions. Further, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned.

b) The Purchaser agrees to accept the Property subject to Municipal regulations and restrictions now or hereafter affecting the ownership or use of the Property and the Purchaser shall observe and comply with the said regulations and restrictions and with the terms and obligations imposed by any subdivision or development agreement. The Purchaser agrees to accept title to the Property subject to any easements or licences for the installation of the maintenance of public or other utilities including, without limitation, telephone, electricity, gas, sewer, sump pumps, water and cable television, as well as any rights or easements reserved by the Vendor and/or granted in favour of other lands for maintenance purposes, drainage and roof overhangs, downpipes, footings, drainage pipes, sump pumps, utility meters and other projections of the Dwelling, if necessary on or about the Property. The Purchaser shall also accept title to the Property subject to any rights of entry in favour of the Subdivider, the Vendor, the Municipality or any other utility/service provider or public or private governmental authority. The Purchaser shall execute any easements required for the said purposes upon being requested by the Vendor both before or after Closing. The Purchaser acknowledges that the Deed or Transfer of the Property may reserve such rights and easements. In the event the Municipality or any other governmental authority or the Vendor requires the granting of maintenance and/or private drainage easements which have not been created on or before Closing, the Purchaser shall execute and deliver to the Vendor on Closing an Acknowledgement and Direction authorizing and directing the Vendor to register after Closing any such easements on behalf of the Purchaser. The Purchaser agrees to accept title to the Property subject to any easements, rights of way, licenses, agreements with the local municipality, regional or county municipality or other tier of municipal government having jurisdiction with respect to future services to be installed, or any other purpose.

c) In the event the Property abuts land owned by any government, utility, or railway such authority may require fences, entrance gates or other structures to be located within the Property line and the Purchaser agrees to accept same and agrees to maintain same, if required by such authority.

d) The Purchaser acknowledges that title may be conveyed directly from the Subdivider of the lands or from another person or entity (the "Transferor"), and not the Vendor, and the Purchaser hereby releases the Subdivider or Transferor, as the case may be, from all obligation, liability and responsibility whatsoever arising out of or associated with the construction of the Dwelling and installation of all other improvements within the lot boundaries, and the Purchaser agrees to execute and deliver on Closing a separate acknowledgment and release in favour of the Subdivider or Transferor, as the case may be, to this effect.

e) In the event any mortgages are outstanding on Closing the discharge of which is the Vendor's obligation, 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.

f) The Purchaser will not any time prior to completing this transaction, register this Agreement, or any notice thereof, whether by Caution or otherwise, or register a notice of Purchaser's lien against the Property. Any breach of the foregoing 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 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.

g) If, on or after registration of the Plan of Subdivision, the lot number or municipal address of the Property is changed, the Purchaser agrees to accept such variation in lot number and municipal address and this Agreement shall be read with all amendments required thereby.

h) The Purchaser agrees to accept title to the Property subject to any Certificates of Property Use, Notice of Requirement or other notices or directives of any governmental authority, including, without limitation the Ministry of the Environment, Conservation and Parks, provided that the Vendor or the Property, as the case may be, is in compliance thereof.

9. SUBDIVISION AGREEMENT REQUIREMENTS

a) The Purchaser acknowledges and agrees that title may on Closing be subject to one or more subdivision or other development agreements and that the Subdivider has agreed at its own expense to construct, install and pay for roads, sanitary sewers, water mains and all other services in accordance with the requirements of the Municipality, which the Vendor herein is not responsible to construct, install or pay for. The Purchaser agrees that the Vendor shall not be obligated on Closing or thereafter to obtain releases of such subdivision or other development agreements provided that the same have been complied with as of the Closing and the Purchaser shall satisfy himself as to compliance.

b) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor and or the Subdivider may apply for a re-zoning with respect to blocks or lots not purchased hereunder as laid down by the Plan of Subdivision or with regard to the lands adjacent to or near the lands laid down by the Plan of Subdivision, and the Purchaser, the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zoning. 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.

c) The Purchaser agrees that the relevant governing authorities and/or the Subdivision Agreement may require the Vendor to provide the Purchaser with certain notices ("**Notices**"), including, without limitation, notices regarding land usage, landscaping, maintenance of fencing, school transportation, noise and vibration warning resulting from existing or proposed highways and public transportation systems or corridors, railways, garbage, buffers, school pick-up, transit routes, bus-stops and/or shelter locations, in some instances the absence of door-to-door mail delivery, the location of "super mailboxes", and in general, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of this Property. Such Notices, when available, may be delivered to the Purchaser in accordance with the notice provisions herein and delivery in accordance with any methods described in said notice provisions shall be deemed to constitute appropriate notification of the Purchaser. The Purchaser agrees to be bound by the contents of any such Notices and covenants to execute forthwith upon request, an acknowledgment containing such Notices if and when requested to do so by the Vendor. In the event the Subdivision Agreement or other development, site plan or similar agreement is not registered as of the date of acceptance of this Agreement, and therefore the Notices are not yet available, or if after they are available, they are amended by the Municipality, or are inadvertently omitted or misquoted by the Vendor and if the Municipality requires the Purchaser to receive a copy of the Notices, then a copy of the Notices as revised as necessary, shall be mailed to the Purchaser's address as provided for in this Agreement or to the Purchaser's solicitor and such mailing shall be deemed to constitute appropriate notification. Without limiting the generality of the foregoing, to the extent that any Notices are provided to the Purchaser by the Vendor after this Agreement has been made, such Notices shall be deemed to have been included in this Agreement at the time that this Agreement has been made. The Purchaser acknowledges and agrees that any Notices and warning clauses may be registered on title to the Property, at the sole and absolute discretion of the Vendor. Purchasers/tenants are advised that despite the inclusion of noise control features in this development area and within dwellings, noise levels from increasing road traffic from nearby roadways may be of concern occasionally interfering with some activities of the dwelling occupants.

10. AFTER CLOSING

a) If, after taking possession of the Dwelling, the Purchaser completes and/or installs any additions and/or improvements such as, but not limited to, porches, patios, plantings, paved driveways, pools or hot tubs, curbs or fences which are located within 6 feet of an external wall or within any area which interfere with the Vendor or Subdivider installing any required services, then the Purchaser will remove such addition and/or improvements within 5 business days of written request from the Vendor and prior to the Vendor taking any corrective actions which it is required to take.

b) If, after taking possession of the Dwelling, the Purchaser completes and/or installs any improvements, additions or alterations thereto, including, but not limited to, wallpapering, cabinetry and/or mouldings and/or finishing's, porch tiles or finishes, pools or hot tubs, then 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.

c) The Purchaser acknowledges that grading and sodding shall be done between June and October (weather permitting and subject to availability of supplies) of any year as per the Vendor's scheduling program. The Purchaser agrees that he shall be solely responsible for watering and general maintenance of sod from the Closing or from the date that sod is laid, whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod, the Vendor shall not be obligated to do so until payment has been made therefor by the Purchaser and if so replaced, the Purchaser agrees to reimburse the Vendor for the costs and expenses of same as determined by the Vendor, which costs and expenses may be deducted from the Security Deposit at the Vendor's sole, absolute and unfettered discretion. Further, the Purchaser acknowledges that the order of closing of the Property and/or the order of completion or closing of other lots sold by the Vendor is not indicative of the order of sodding of the Property and said other lots.

d) The Purchaser covenants to occupy the Dwelling forthwith after the Closing Date. The Purchaser agrees not to finish the whole or any part of the basement of the Dwelling for a period of 24 months after the Closing Date or such longer period as 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 the basement resulting from water seepage or leakage, including any consequential damages arising therefrom.

e) The Purchaser acknowledges that the Vendor has a master key for the subdivision and in the event that the Purchaser wishes to change any locks, he may do so, at his own expense, any time after Closing.

f) If settlement occurs due to soil disturbances around the Dwelling, the walkways, driveways and sodded areas, all minor settlements shall be the responsibility of the Purchaser, and the Vendor will rectify any major settlement once only, and such work, unless of an emergency nature, will be completed when reasonably feasible and according to the Vendor's work program and availability of materials and tradesmen's services. The Vendor is not responsible for any damage to the Dwelling which the Vendor considers of a minor nature by reason of such settlement.

g) No request by the Purchaser for homeowner service will be processed by the Vendor unless such request is in writing other than emergency service, such as no heat, water or electricity. In the event the Vendor is requested by the Purchaser to perform a homeowner service call for repairs relating to construction or work performed by the Vendor and the Vendor determines in its sole discretion that such repair is required due to any negligent act or omission either through the neglect or omission of the Purchaser, the Purchaser shall pay to the Vendor the sum of \$350.00 per homeowner service call, plus the cost of all materials utilized by the Vendor in making such repair, plus Applicable Taxes thereon.

h) The Purchaser agrees that after Closing, if required by the Municipality or any public or private utility such as the local electric authority, gas company, telecommunication or television system provider he will grant an easement for the installation and maintenance of sewers, water mains, lines or any other similar installations.

i) Notwithstanding any statements by any sales personnel or any other representatives of the Vendor or any depictions or descriptions in marketing materials or websites, the Vendor makes no representation or warranty of any kind that the basement, or any other part of the Dwelling, may be legally rented or converted into a separate apartment. In addition, the Purchaser acknowledges and agrees that it shall be solely responsible for compliance with all laws, bylaws, ordinances, building code obligations and requirements, or other legal requirements, and obtaining any required municipal variances or permissions that must be obtained or complied with in respect of any conversion of unfinished areas to living areas, including, without limitation, the completion of the basement. The Vendor shall have no legal obligation to complete any such works or obtain any of the foregoing approvals to permit same.

11. BREACH OF CONTRACT

Any breach by the Purchaser of any of the provisions of this Agreement shall entitle the Vendor, in addition to any rights or remedies that the Vendor may have in law or otherwise, to give notice to the Purchaser declaring this Agreement null and void, whereupon all deposit monies paid hereunder, and any monies paid for extras, shall be forfeited to the Vendor as liquidated damages and not as a penalty.

12. UNLAWFUL WORKS

a) If the Purchaser, without the consent in writing of the Vendor, enters upon the Property and carries out changes or additions to the Dwelling (the "Unlawful Works") being constructed by the Vendor, the Purchaser will forthwith pay to the Vendor the amount incurred by it in order to correct any damages caused by the installation or existence of the Unlawful Works including, without limiting the generality of the foregoing, time lost by the resulting delays and interest on monies invested, and at the Vendor's option it may declare this Agreement null and void. In addition to the foregoing, if the Unlawful Works shall be determined by any inspector having jurisdiction in that regard as not complying with the statutes, by-laws or regulations applying thereto, the Purchaser shall forthwith carry out any required work to remedy any such non-compliance and failing which, the Vendor, at its option may carry out such work at the expense of the Purchaser which he shall pay to the Vendor forthwith upon written request for payment for same and/or at the option of the Vendor, it may declare this Agreement null and void. The Purchaser agrees that anything constructed by the Vendor which is not accessible due to the Unlawful Works shall not be covered under the Warranty Act's warranties. The Purchaser shall not enter upon the Property at any time without the consent in writing of the Vendor or accompanied by a representative of the Vendor. Failure to comply with the foregoing shall constitute a trespass by the Purchaser on the Property and will entitle the Vendor to bring criminal or civil proceedings for such trespass against the Purchaser. In respect of any entry with the Vendor's prior written consent, the Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor. The Purchaser further agrees to indemnify the Vendor against any damages, losses and fines incurred as a result of non-compliance with this provision by the Purchaser.

b) If the Vendor elects the option as set forth above to declare the Agreement null and void, then the Vendor shall be entitled to retain the Purchaser's deposit paid and the value of the Unlawful Works. The parties agree that the damages which may be suffered by the Vendor as a result of the Unlawful Works cannot be assessed monetarily and the retention of the deposit and Unlawful Works, shall be deemed to be liquidated damages and not a penalty. **THE PURCHASER ACKNOWLEDGES THAT THE UNLAWFUL WORKS SHALL NOT BE COVERED UNDER THE WARRANTY ACT'S WARRANTIES.**

c) The Purchaser covenants and agrees that it will not be entitled nor permitted to and shall at no time enter upon the Subdivision or the Property prior to the Closing without the approval of the Vendor. Additionally, the Purchaser covenants and agrees that it shall not enter upon the Property or the Subdivision prior to Closing to supply any material and/or to perform any work or labour to or on the Dwelling or Property respectively. The Purchaser further covenants and agrees that the Vendor will not contract for the supply and installation of extras to the Dwelling to be constructed other than by way of written contract on a specific form supplied by the Vendor for that purpose.

13. CONTRACT

The deposit monies are expressly deemed to be deposit monies only, and not partial payments. Default in payment of any amount payable pursuant to this Agreement on the date or within the time specified, shall constitute substantial default hereunder, and the Vendor shall have the right to terminate this Agreement and forfeit all deposit monies in full as liquidated damages and not as a penalty. Without prejudice to the Vendor's rights as to forfeiture of deposit monies as aforesaid, and in addition thereto, the Vendor shall have the right to recover from the Purchaser any monies owing to the Vendor pursuant to this Agreement and not paid to the Vendor in accordance with the terms hereof and/or all additional costs, losses and damages arising out of default on the part of the Purchaser pursuant to any provision contained in this Agreement, including interest thereon from the date of demand for payment at the rate of 12% per annum, calculated daily, not in advance, until paid. In the event this Agreement, in future, is amended in order to accelerate the Closing of the transaction or to change or alter the construction specifications of the Dwelling by giving the Purchaser a credit or reduction against the Purchase Price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted herefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement. The Purchaser, if required by the Vendor, shall execute and deliver on Closing one or more covenants incorporating the terms hereof. There is no representation, warranty, collateral Agreement or condition affecting this Agreement or the Property, or supported hereby, except as set forth herein in writing. In the event there is a conflict between any term(s) in this Agreement, the Vendor shall determine which conflicting term(s) prevail(s). The Purchaser acknowledges and agrees that the covenants and obligations of the Vendor contained in this Agreement shall be those of the Vendor only and should the Vendor represent or act as trustee or agent on behalf of a beneficiary or principal (whether disclosed or undisclosed) in executing this Agreement, such beneficiary or principal shall have no liability under this Agreement, such liability being restricted to the Vendor only. All buildings and equipment shall be and remain at the Vendor's risk until Closing. In the event of any damage to the Dwelling, however caused, the Vendor shall be entitled to the insurance proceeds payable under any insurance policy coverage on the Dwelling. Deed to be prepared at Vendor's expense, and shall be executed by the Purchaser if required by the Vendor and shall be registered forthwith on Closing at the Purchaser's expense. The Purchaser shall pay the Vendor's solicitor's fees in the amount of \$500.00 (plus Applicable Taxes and disbursements) for each letter or other form of notice sent to the Purchaser or the Purchaser's solicitor relating to any default by the Purchaser.

If this Agreement is terminated and the Purchaser is entitled to the return of its deposits without interest, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges and agrees that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

14. COLOUR AND MATERIAL SELECTION

a) Wherever in this Agreement the Purchaser has the right to choose colours or materials, he shall do so within 7 days after notification by the Vendor and the Purchaser shall make his selection of such colours and/or materials, whatever the case may be, from the Vendor's samples at the Vendor's Décor Centre for the subject project (or such other location that may apply from time to time) and list same on the Vendor's colour selection form. If the Purchaser has not made its selection within 7 days after notification by the Vendor (or an extended date acceptable to the Vendor), then the Vendor shall have the option of choosing the colours and materials for and on behalf of the Purchaser and the Purchaser shall be obligated to accept same.

b) If the Purchaser desires to select interior colours or materials from other than the Vendor's samples, then the Purchaser must negotiate such interior colours or materials directly with the Vendor or the Vendor's subtrade or supplier as directed by the Vendor and attend to payment of any additional cost as a result of such choice to the Vendor or the Vendor's subtrade or supplier directly, as directed by the Vendor.

c) If the Purchaser has made a choice of colours and/or materials from either the Vendor's samples or otherwise as aforesaid and because of lack of supply or other reasons the installation of such colour choice and material cannot be completed in accordance with the Vendor's construction schedule, then the Purchaser shall make a substitute selection from available colours and/or materials within 7 days of notification from the Vendor. The Purchaser hereby agrees that if the Purchaser fails to make a substitute selection within the aforementioned time period, then the Vendor shall have the right to make such selection on the Purchaser's behalf and the Purchaser covenants to accept the selection so made by the Vendor, provided it is of equal or better quality than that made by the Purchaser.

d) In the event that by the Closing Date the installation of the selected colours and upgraded materials to be performed by the Vendor or its subtrade(s) has not been completed, and as a result thereof the Dwelling has not been completed, then the Purchaser shall, notwithstanding such incomplete work, complete the transaction on the Closing Date and shall pay the full amount required to be paid on Closing in accordance with this Agreement, notwithstanding that an occupancy permit may not be available as a result thereof.

e) If the Purchaser has installed or has requested the Vendor to install a different floor covering than that which

the Vendor would normally install in the Dwelling, then the Purchaser agrees that if any defects should come to light for which the Vendor is normally responsible and repairs to which require the removal of the said floor covering, the Vendor will not be responsible to effect such repairs. For purposes of this Agreement "floor covering" shall mean any type of finished floor covering which is normally placed on the sub-floor and without limiting the generality of the foregoing, shall include tile, hardwood, marble, terrazzo and carpet.

f) Where omissions occur on the original colour selection sheet, the Purchaser acknowledges that selection by the Vendor will be final.

g) Upgrades listed on a standard colour chart and exterior colour selections will not be deemed to be part of the Agreement.

h) The Purchaser agrees that if, after having made the original colour selections the Purchaser does make a change erroneously or otherwise, he will be deemed responsible for all errors resulting from any double selections.

i) The Purchaser further agrees that if the Vendor has preselected colours prior to the purchase herein of the Property, then the prescribed colours shall be final notwithstanding that the Purchaser may have completed a colour selection/chart.

j) If any of the terms and conditions stated on any contract, addendum or schedule requesting upgrades or extras (the "Purchaser's Extras Contract") are in conflict or contradiction of any terms or conditions stated in this Agreement, then it is hereby agreed that the terms and conditions stated on the Purchaser's Extras Contract shall take precedence over the terms and conditions of this Agreement provided such provisions do not conflict with the provisions of the Addendum and Statement of Critical Dates annexed hereto, in which case the provisions of the Addendum and Statement of Critical Dates annexed hereto shall be read to form part of the Purchaser's Extras Contract in the place and stead of the conflicting or contradictory provisions thereof. Without limiting the foregoing, the Vendor and Purchaser agree that the provisions of the Addendum and Statement of Critical Dates annexed hereto shall prevail over any provision contained in this agreement, in any amendment to this agreement or in any other document between the Vendor and Purchaser in relation hereto that derogates from, conflicts with or is inconsistent with the provisions of the Addendum and Statement of Critical Dates annexed hereto.

15. MODEL HOMES

a) The Purchaser acknowledges that he has purchased the Dwelling on the basis of plans appended to this Agreement and not from a model, vignette or sales office samples. The Purchaser acknowledges that the model homes, if any, may have items installed for decor purposes, such as, but not limited to, upgraded flooring materials, ceramic tile, hardwood, carpet, paint, kitchen cabinets, countertops, lighting and fixtures, driveways, walkways, railings and pickets, skylights, entry doors, interior doors, paneling, wallpaper, window treatment, drapes and any tracks or rods, curtains and any tracks or rods, plumbing supplies, intercom systems, alarm systems, appliances, air conditioning equipment, central vacuum system, landscaping, underground sprinkler systems, underground lighting, decks and painted or finished basements. The Purchaser acknowledges and agrees that these decor items will not be included in the Purchase Price and that the contract will consist of only those items listed on Schedule B1.

b) Notwithstanding anything herein written, if at the time that this Agreement is executed, the Dwelling constructed on the Property has already been substantially completed, the Purchaser shall purchase the Property in an "as built" condition rather than in accordance with any other representations herein contained.

c) If the Dwelling has been used as a model or show home, then the Purchaser acknowledges that the Dwelling has been used extensively as a "Model" or "Show" home and, as such, has been subjected to the normal wear and tear associated with that purpose. Unless otherwise specifically agreed in writing, no refinishing shall be done by the Vendor on the Dwelling and the Purchaser agrees to accept the Dwelling on closing on an "as-is" basis. For the purposes of clarity only, and without restricting the generality of the foregoing, the Purchaser hereby waives any claim in respect of scratched floors, counters or plumbing fixtures, and sun-faded paint and stain colours.

16. ASSIGNMENT

The Purchaser represents to the Vendor, upon which representation the Vendor has relied in accepting the Purchaser's offer, that the Purchaser is purchasing the Property for its own personal use and not for short term speculative purposes. Prior to Closing the Purchaser covenants and agrees not to post any signs for sale or lease, or list the Property for sale or lease, or advise others that the Property is or may be available for sale or lease, offer for sale or sell or lease, or advertise for assignment, the Property or to enter into any agreement, conditional or otherwise, to sell or lease the Property, or any interest therein, nor to assign this Agreement or any interest herein, or the benefit thereof, nor to mortgage, deal with or in any way encumber the premises or this Agreement. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply and the Purchaser shall have no further right to or interest in the Property.

17. HARMONIZED SALES TAX

The Purchaser and Vendor agree that the harmonized sales tax (the "HST") applies to this transaction and the Purchase Price includes the HST, net of the federal and Ontario new housing rebates or the like (collectively the "Rebate"). The Purchaser shall assign in a form required by the Vendor and/or by any of the Government of Canada, Government of Ontario and/or any other governmental and/or tax authority (collectively, the "Government") to the Vendor (or to such other party as the Vendor may otherwise require or direct) all of the Purchaser's right, title and interest in the Rebate to which the Purchaser is entitled. In connection with such assignment, the Purchaser shall deliver to the Vendor (or to such other party as the Vendor may otherwise require or direct), upon request by the Vendor, on or after the Closing Date, such application, documents and affidavits as may be required by the Vendor and/or the Government to establish the Purchaser's entitlement to the Rebate. If the Purchaser is not

entitled to the Rebate for any reason whatsoever or if the Rebate is reduced or withdrawn by the Government and not replaced with an amount equivalent to the amount of the Rebate to which the Purchaser is entitled by the Government or if the Rebate is not or cannot be assigned to the Vendor (or to such other party as the Vendor may otherwise require or direct) or the Rebate is claimed and payment/credit of the Rebate to the Vendor (or to such other party as the Vendor may otherwise require or direct) is denied by the Government or if, following the Closing Date, the Vendor (or such other party identified by the Vendor) believes that the Purchaser does not qualify for the Rebate for whatever reason, including, without limitation, the Dwelling being offered, listed or advertised for sale, lease or transfer privately or otherwise on a listing service system, then, the Purchaser shall forthwith upon demand by the Vendor pay to the Vendor (or to such other party as the Vendor may otherwise require or direct) an amount equal to the Rebate or the amount so reduced or withdrawn and until so paid, the amount of the Rebate shall form a charge against the Dwelling which charge shall be recoverable by the Vendor (or by such other party identified by the Vendor) in the same manner as a mortgage in default. If the Vendor (or such other party identified by the Vendor) does not receive the full benefit of the Rebate for any reason whatsoever, whether or not as a result of the Purchaser's acts or omissions, the Purchaser shall indemnify and save the Vendor (or such other party identified by the Vendor) harmless in the amount that the Vendor (or such other party identified by the Vendor) would have been entitled to had such Rebate been received, together with all interest and penalties thereon, and all losses, costs, damages and liabilities which the Vendor (or such other party identified by the Vendor) may suffer, incur or be charged with in connection therewith, 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 disentitled to the Rebate, or as a result of the inability to assign the benefit of the Rebate to the Vendor (or to such other party as the Vendor may otherwise require or direct), or as a result of the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor (or to such other party as the Vendor may have otherwise required or directed), which indemnity shall survive the Closing Date. Notwithstanding anything herein contained to the contrary, the Vendor shall have the right to register a Vendor's Lien for the amount of the Rebate against the Dwelling immediately following the Closing Date to secure the Vendor's entitlement (or the entitlement of such other party as may be identified by the Vendor) to the Rebate as herein provided. The Purchaser acknowledges and agrees that the Purchaser shall not be entitled to any refund, credit or abatement in any manner whatsoever should the HST, or any portion thereof, not apply to this transaction for any reason whatsoever. The HST that is included in the Purchase Price is based on the federal portion and the provincial portion of the HST at the rates of 5% and 8%, respectively. If either or both of the rates increase, the Purchaser shall be responsible for the increase and shall pay same as an adjustment on the Closing Date, and if either or both of the rates decrease, the Purchaser shall not be entitled to any abatement or reduction of the Purchase Price. Notwithstanding that the Purchase Price is inclusive of the HST net of the Rebate as aforesaid, the Purchaser, shall, at the Purchaser's own cost and expense, be responsible for the payment of the HST and all other taxes, value added taxes, sales taxes, use taxes or transfer taxes and any increases thereof which may be applicable (collectively the "Applicable Taxes") on all closing adjustments and amounts payable for extras, changes, upgrades, fees and charges.

If the Vendor (or such other party identified by 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, and the Vendor's (or such other party identified by the Vendor) belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before the Closing Date, then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obliged to pay to the Vendor (or to whomsoever the Vendor may in writing direct), by certified cheque delivered on the Closing Date, an amount equivalent to the Rebate, in addition to the Purchase Price. In those circumstances where the Purchaser maintains that he or she is eligible for the Rebate despite the Vendor's (or such other party identified by the Vendor) belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebate as aforesaid) be fully entitled to file the rebate form directly with (and pursue the procurement of the Rebate directly from) the Canada Revenue Agency.

The Purchaser acknowledges and agrees for any matter related to HST that is applicable to this transaction, including without limiting the generality of the foregoing, the Rebate, that the Vendor may designate another person (including any party in which the Vendor is acting as the disclosed or undisclosed agent for when it entered into this Agreement of Purchase and Sale) to be listed as a party to the HST documentation and the Purchaser agrees to execute such HST documentation notwithstanding that a party other than the Vendor may be the recipient, addressee or beneficiary of the Rebate. Where the Vendor determines that such HST documentation is incomplete, incorrect or insufficient for the Rebate to be claimed, the Purchaser, without limiting the generality of Section 32, hereby irrevocably nominates, constitutes and appoints the Vendor (and any other party as may be directed by the Vendor) as its duly authorized attorney, agent and representative to amend, correct and complete, as applicable, such HST documentation including the Rebate form..

18. AGREEMENT CONDITIONAL

This Agreement and the transaction arising therefrom are conditional upon compliance with the provisions of the Planning Act of Ontario, and amendments thereto at the Vendor's expense.

19. AGREEMENT NOT TO BE REGISTERED

The Purchaser acknowledges this Agreement confers a personal right only and not any interest in the Property and that the registration against title of any notice or caution or other reference to this Agreement or his or her interest is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other purchasers of dwellings within the Subdivision. If any such registration occurs, the Vendor may terminate this Agreement forthwith and take full forfeiture of the Purchaser's deposits as liquidated damages and not as a penalty. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a full indemnity basis together with any Applicable Taxes thereon. Additionally, the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead, without liability or claim, for the purpose of removing any such registration from title.

20. TENDER

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the provisions of paragraph herein headed "ELECTRONIC REGISTRATION". The Vendor shall not be required to register any discharge of any outstanding mortgage, charge or other encumbrance not being assumed by the Purchaser on the Closing Date, in order to validate or perfect the Vendor's tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the provisions of paragraph headed "TITLE" herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of the Purchaser's solicitor's certified cheque drawn on a Schedule "1" Canadian Chartered bank. The Purchaser further acknowledges

and agrees that the Vendor shall not be required to provide any key(s) as part of any tender made by it and that this Agreement provides for the release of keys following the Closing.

21. EXTENSION AND TERMINATION

- a) The Purchaser acknowledges that the Closing Date as described in this Agreement may be extended in accordance with the Warranty Act and the Addendum and Statement of Critical Dates.
- b) Forthwith upon any termination of this Agreement the Purchaser shall execute and deliver to the Vendor the form of Mutual Release and Termination Agreement that may be required by the Vendor and/or Tarion in the circumstances of such termination.
- c) The Vendor shall have a one-time unilateral right, at its sole, absolute and unfettered discretion, to extend the Firm Closing Date or Delayed Closing Date (as set out in the Addendum and Statement of Critical Dates appended hereto), as the case may be, for 1 (one) Business Day to avoid the necessity of tender where a Purchaser is not ready to Close on the Firm Closing Date or Delayed Closing Date, as the case may be.

22. AGREEMENT NOT TO MERGE WITH TRANSFER

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Property to the Purchaser. It is provided that in the event of a breach of any covenant, warranty or obligation contained in this Agreement to be performed by the Purchaser, the Vendor shall be entitled, at its option, to declare this Agreement null and void and to retain all amounts paid by the Purchaser without prejudice to any other rights of the Vendor arising from that breach.

23. WAIVER

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

The Purchaser acknowledges and agrees that in the event that the Vendor has entered this Agreement as a trustee or agent for and on behalf of an undisclosed beneficiary or principal, whether or not so stated herein, there shall be no liability on such undisclosed beneficiary or principal and the only recourse or remedy that the Purchaser shall have on default by the Vendor herein is against the Vendor and the Property, the Purchaser hereby waiving any rights of recovery or recourse against such beneficiary or principal whether in law, equity or otherwise.

24. SUBORDINATION AND ASSIGNMENT OF AGREEMENT

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged or to be arranged by the Vendor and any advances thereunder from time to time, and to any easement, service agreement and other similar agreements made by the Vendor concerning the property or lands. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision. The Vendor may assign this Agreement and its covenants and obligations herein to a third party including any lender (i.e. a chartered bank, trust company or other lending entity), provided following such assignment, the Vendor shall notify the Purchaser of such assignment. Such assignment shall be in a form prescribed or approved by the Vendor and may provide that the Vendor is released of its obligations under this Agreement following such assignment to a third party other than the Vendor's lender. As it relates to an assignment of this Agreement to a lender as aforesaid the lender's liability shall be limited as provided for in the assignment.

25. EXECUTION AND ACCEPTANCE

This Agreement may be executed by the Vendor and the Purchaser by way of electronic signatures pursuant to the provisions of the *Electronic Commerce Act, 2000* (Ontario) as amended (or any successor or similar legislation) (the "EC Act"). This offer by the Purchaser when accepted by the Vendor shall constitute a binding agreement of purchase and sale, without requiring notice of such acceptance to be delivered to the Purchaser prior to such time. Without limiting the generality of the foregoing, acceptance of this offer (or any counter offer with respect thereto) may be made by way of telefax transmission, pdf electronic mail or similar electronic transmission, reproducing the original, provided all of the necessary signatures and initials of both parties hereto are duly reflected on (or represented by) the telefaxed, emailed or electronic copy of the Agreement are so transmitted, and such offer and/or acceptance shall be deemed to have been effected or made when the Agreement is telefaxed, emailed or sent electronically to the intended party, and the parties irrevocably acknowledge and agree that such telefaxed, emailed or electronic transmission of the Agreement shall be binding upon the parties to the same extent as if originally signed.

26. TIME OF ESSENCE

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulations, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

27. PREPARATION AND COST OF REGISTERING DOCUMENTS

The Transfer is to be prepared by the Vendor on the Vendor's standard form. If required by the Vendor, the deed may contain covenants on the part of the Purchaser to comply with the stipulations set out herein, and is to be executed by the Purchaser. Any discharges of underlying mortgages (collectively, the "Discharges") shall be prepared by the Vendor on the Vendor's standard form; the Discharges to be at the expense of the Purchaser, being a fee of \$150.00 plus Applicable Taxes in total, irrespective of the number of Discharges required. The Purchaser shall pay the cost for registration and any exigible taxes on the registration of the Transfer and Discharges. The Purchaser agrees to provide a statutory declaration on or before closing confirming that there are no judgments outstanding against him and the Purchaser agrees to provide reasonable evidence confirming same, including a creditor's letter if necessary, if requested by the Vendor, if there is any judgment filed against a person with the same or similar name. That statutory declaration shall also include the birth date and social insurance number of the Purchaser. In the event that the electronic document registration system is operative in the relevant Land Registry Office in which the Property is situate, at

the Vendor's discretion the Purchaser shall enter into the Vendor's form of escrow closing agreement which shall include provisions relating to the delivery of funds and keys and the exchange, delivery and registration of documentation.

28. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be illegal or invalid, or beyond the powers or capacity of the parties hereto, then provided such provision is not, in the Vendor's sole opinion, essential or fundamental to the completion of this transaction, such provision shall be deemed and construed to be severed and deleted from this Agreement, and the remainder of this Agreement shall continue in full force and effect.

29. NOTICE

a) Save and except for any notices to be provided pursuant to the Addendum and Statement of Critical Dates, any notice desired or required to be given to the Purchaser shall be in writing, and either delivered personally or by prepaid mail, addressed to the Purchaser's solicitor or to the Purchaser at the address as provided on the front page of this Agreement or in the Addendum and Statement of Critical Dates, or telefaxed to the Purchaser's solicitor or the Purchaser's telefax number as provided in the Addendum and Statement of Critical Dates, or electronically mailed to either the Purchaser at the address contained in the Addendum and Statement of Critical Dates or to the Purchaser's solicitor, with all such address and contact information set out on the front page of this Agreement or in the Addendum and Statement of Critical Dates being subject to other or updated information that may be provided to the Vendor from time to time or otherwise in accordance with this Agreement. If such notice is mailed, it shall be deemed to have been received by the Purchaser on the day (excluding Saturdays, Sundays and statutory holidays) following the date of its mailing, and if such notice is personally delivered, same shall be deemed to have been received on the date of such personal delivery, and if telefaxed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the transmission of the telefax, and if electronically mailed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the date of its electronic mailing.

b) Save and except for any notices to be provided pursuant to the Addendum and Statement of Critical Dates, any notice desired or required to be given to the Vendor shall be in writing, and either delivered personally or by prepaid mail, addressed to the Vendor's solicitor at the address noted herein and to the Vendor, or telefaxed to the Vendor's solicitor. If such notice is mailed, it shall be deemed to have been received by the Vendor on the 3rd day (excluding Saturdays, Sundays and statutory holidays) following the date of its mailing, and if such notice is personally delivered, same shall be deemed to have been received on the date of such personal delivery, and if telefaxed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the transmission of the telefax.

c) The Purchaser acknowledges and agrees that upon entering into this Agreement, he/she shall provide in the Addendum and Statement of Critical Dates the Purchaser's electronic mail address, and forthwith upon request by the Vendor the Purchaser's solicitor's electronic mail address.

d) The Purchaser shall advise the Vendor of any changes in any of its mailing address, telephone number or electronic mail address or of its solicitors forthwith upon such change, failing which the Purchaser shall be charged a fee of \$250.00 plus Applicable Taxes on the Statement of Adjustments.

e) The Purchaser agrees to provide the name, address and telephone number of his solicitor to the Vendor or its solicitor in writing no later than 60 days prior to the Closing Date. Should the Purchaser fail to provide this information and/or during such 60-day period change solicitors, the Purchaser may be charged a fee plus Applicable Taxes on the Statement of Adjustments, as determined by the Vendor and/or its solicitor.

f) The Purchaser covenants to forthwith and without delay retrieve, collect, receive and read all notices sent to the Purchaser by the Vendor or the Vendor's solicitor.

Provided that during periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with sub-paragraphs (a) and (b) above.

30. GENDER AND NUMBER

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

31. SUCCESSORS AND ASSIGNS

Except as expressly herein provided, the parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns.

32. POWER OF ATTORNEY

a) In accordance with the provisions of the Powers of Attorney Act R.S.O. 1990, as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

b) If any documents, instruments, etc. required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person shall be registered in the Land Titles Office for the Property, and a duplicate registered copy thereof (together with a statutory declaration sworn by the attorney or the Purchaser's solicitor confirming that said power of attorney has not been revoked) shall be delivered to the Vendor along with such documents.

c) Where a third party has been appointed as the attorney for the Purchaser for the purposes of executing any documents contemplated by this Agreement, then any notices required or desired to be delivered to the Purchaser in accordance with this Agreement may be given to the said attorney, in lieu of the Purchaser or the Purchaser's solicitor (and shall be deemed to have been received by the Purchaser when so delivered to his or

her attorney).

d) Where the Purchaser is required to execute and deliver any document herein to the Vendor and fails to do so, the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor to be and act as his lawful attorney, in the Purchaser's name, place and stead, in order to execute any such documents in accordance with the provisions of the Powers of Attorney Act (Ontario) as amended from time to time.

33. ELECTRONIC DOCUMENTS AND TRANSFER OF FUNDS

a) Pursuant to subsection 3(1) of the EC Act: (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction, including without limitation, this Agreement, in an electronic form if, when and in the form provided by the Vendor and/or its solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole, absolute and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the EC Act. In the event that the Purchaser and/or its solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole, absolute and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

b) The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole, absolute and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "EFTS") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc.. In such case:

i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

34. ELECTRONIC REGISTRATION

If the electronic registration system (hereinafter referred to as the "Electronic System" or "ERS") is operative in the applicable Land Registry Office in which the Property is registered, the following provisions shall prevail, namely:

a) the Purchaser shall be obliged to retain a lawyer in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction, and shall authorize such lawyer to enter into an escrow closing agreement with the Vendor's solicitor on the latter's standard form (hereinafter referred to as the "Escrow Document Registration Agreement"), establishing the procedures and timing for completing this transaction. The Purchaser shall reimburse the Vendor as an adjustment on closing for any additional legal costs that the Vendor may incur to complete this transaction under ERS of \$250.00, plus Applicable Taxes.

b) the delivery and exchange of documents and monies for the Property and the release thereof to the Vendor and the Purchaser, as the case may be:

i) shall not occur contemporaneously with the registration of the transfer/deed (and other registerable documentation); and

ii) shall be governed by the Escrow Document Registration Agreement, pursuant to which the solicitor receiving the documents 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;

c) if the Purchaser's lawyer is unwilling or unable to complete this transaction via ERS, in accordance with the provisions contemplated under the Escrow Document Registration Agreement, then said lawyer (or the authorized agent thereof) shall be obliged to personally attend at the office of the Vendor's solicitor at the time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via ERS utilizing the computer facilities in the Vendor's solicitor's office;

d) 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 either remitted by certified cheque via personal delivery or if agreed to by the Vendor's solicitor, by electronic funds transfer to the Vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the transfer for registration;

e) each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the Property shall be delivered to the other party hereto on or before the Closing Date; and

f) 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:

- i) delivered all closing documents and/or funds to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement;
- ii) 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
- iii) has completed all steps required by ERS 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, and
- iv) without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

35. HEADINGS

The headings to the clauses of this Agreement form no part of the agreement but shall be deemed to be inserted for convenience of reference only.

36. APPLICABLE LAW AND JOINT AND SEVERAL LIABILITY

This Agreement of Purchase and Sale shall be governed by the laws of the Province of Ontario. If more than one individual, partnership and/or company comprises the Purchaser, then the covenants, obligations and agreements of such parties under this Agreement shall be joint and several, and in the event that any one of the parties comprising the Purchaser executes any agreement, amendments, extension agreement, notice, colour or materials or upgrades selections charts or order forms or any other agreement, notice, acknowledgment or matter in respect of this Agreement or the Dwelling, all of the parties comprising the Purchaser shall be bound by the document executed by the one party on behalf of the others and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may, but shall not be required, to obtain the signatures or execution of all parties comprising the Purchaser to any other documents as aforesaid.

37. RIGHT OF SURVIVORSHIP

Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed that if the Purchaser comprises more than one individual, then all individuals comprising the Purchaser shall be deemed and construed to have acquired the Dwelling purchased hereunder on joint account with right of survivorship, and accordingly should any of the individuals comprising the Purchaser die before completion of the transaction, then the Vendor is hereby irrevocably authorized and directed to engross the transfer/deed in the name of the surviving individual(s) comprising the Purchaser, without requiring probate of the deceased individual's last will and testament (and regardless of the provisions of any last will and testament of the deceased individual comprising the Purchaser and/or any rules applicable on his or her intestacy), provided however that the surviving individual(s) comprising the Purchaser shall nevertheless be obliged to deliver to the Vendor's solicitor a notarial copy of the death certificate, or the funeral director's certificate, or other satisfactory proof of death of the deceased individual comprising the Purchaser, and shall also be obliged to execute and deliver, on or before the Closing Date, the Vendor's standard form of indemnity pursuant to which the surviving individual(s) comprising the Purchaser shall jointly and severally indemnify and save the Vendor and its solicitors harmless from and against all costs, claims, damages and/or liabilities which either or both of them may suffer or incur as a result of transferring title to the Dwelling to the surviving individual(s) exclusively (including any claims from any children, relatives or other heirs of the deceased individual comprising the Purchaser, or from any beneficiaries of the estate of the deceased individual comprising the Purchaser).

38. FINANCIAL INFORMATION

The Purchaser represents that the Purchaser is capable of obtaining the financing the Purchaser requires to enable the Purchaser to complete this transaction. The Purchaser hereby consents to the Vendor obtaining a consumer report containing credit and/or personal information for the purposes of this transaction. In addition, the Purchaser shall deliver to the Vendor, within 10 days of acceptance of this Agreement by the Vendor and thereafter within 14 days of demand from the Vendor or any agent thereof, all necessary financial and personal information required by the Vendor in order to evidence the Purchaser's ability to pay the balance of the Purchase Price on the Closing Date, including without limitation, written confirmation of the Purchaser's income and evidence of the source of the payments required to be made by the Purchaser in accordance with this Agreement and a mortgage commitment from one of the Schedule "1" chartered banks in Canada with respect to this transaction of purchase and sale, all of the foregoing to be satisfactory to the Vendor in its sole, absolute and unfettered discretion. Any failure by the Purchaser to comply with the provisions of this paragraph shall constitute a default by the Purchaser, pursuant to which the Vendor shall have the right to terminate this Agreement and take forfeiture of the Purchaser's deposit in accordance with the provisions of this Agreement. In this regard, the Purchaser acknowledges and agrees that (a) the aforesaid information has been provided with the Purchaser's knowledge and consent that such information may be used by the Vendor, its consultants and its lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement and; (b) such information may remain on file by the Vendor for future reference.

39. PERSONAL INFORMATION

The Purchaser(s) consents to the Vendor collecting and possessing the Purchaser's name and "personal information" (as such term is defined in the Personal Information Protection and Electronic Documents Act 2000, c.5) obtained by the Vendor pursuant to and in connection with this Agreement. The Purchaser acknowledges and agrees that the aforesaid information has been provided to the Vendor with the Purchaser's knowledge and consent. In addition, the Purchaser(s) consents to the Vendor using, releasing, disclosing and/or retaining on file the Purchaser's name and personal information to: (a) a company or organization affiliated, associated or related to the Vendor, in order to provide the Purchaser with information relating to this project and other projects of such entities; (b) any provider of utilities, services and/or commodities to the Property (including, without limitation, gas, electricity, water, telephone, internet and other communication services, cable, heating, cooling, satellite t.v., appliances and/or property tax assessments) for the purpose of marketing, promoting and providing such utilities, services and/or commodities to the Property; (c) the Vendor's consultants and lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement; (d) the Vendor's sales agents and representatives for the purpose of using same for promotional and marketing purposes; (e) any trades/suppliers or subtrades/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 Property and the installation of any extras or upgrades ordered or requested by the Purchaser; and (f) any relevant governmental authorities or agencies.

40. ELECTRONIC COMMUNICATIONS

The federal government has enacted legislation that requires we obtain your consent to send you electronic communications, which may include correspondence, requests, announcements, update or other information that may be of interest to you.

By signing this Agreement the Purchaser agrees to receive electronic communications from the Vendor, as well as from its affiliated corporations and/or related entities. In addition, the Purchaser consents to receiving electronic commercial messages from the Vendor's trades, businesses, bodies or agencies which shall include but not be limited to (i) financial institutions or private lenders; (ii) insurance companies; (iii) any of the Vendor's trades or suppliers or any sub-trades and sub-suppliers; and (iv) providers of telephone, television, telecommunications, security and utility services.

The Purchaser can withdraw its consent to receiving electronic communications at any time by contacting ONTinquiries@brookfieldrp.com.

41. ADVERTISING AND PROMOTIONAL MATERIALS

The Purchaser acknowledges and agrees that the Vendor shall have the right to use drawings, photographs, videos or other depictions of the interior and/or exterior of the Dwelling and/or the Subdivision or any components or features thereof in any promotional or advertising materials without notice to or consent from the Purchaser being required in any manner whatsoever.

42. ASSIGNMENT TO RELATION

See Schedule "AR", if applicable.

43. ENTIRE AGREEMENT

There is no oral and/or written representation, warranty, collateral Agreement or condition affecting this Agreement or the Property, or supported hereby, except as set forth herein in writing. The Purchaser acknowledges that the new home industry is multi-faceted and complex and that while sales personnel or agents are knowledgeable about most issues regarding the purchase and construction of a new home, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser by the sales personnel or agents, upon which the Purchaser has relied upon, and which were material or instrumental to the Purchaser's decision to purchase this Property, except as are set forth herein in writing. There is no representation, warranty, collateral agreement or condition affecting this Agreement or the Property, or supported hereby, except as set forth herein in writing. The Purchaser is encouraged to have this Agreement reviewed by the Purchaser's solicitor prior to signing same.

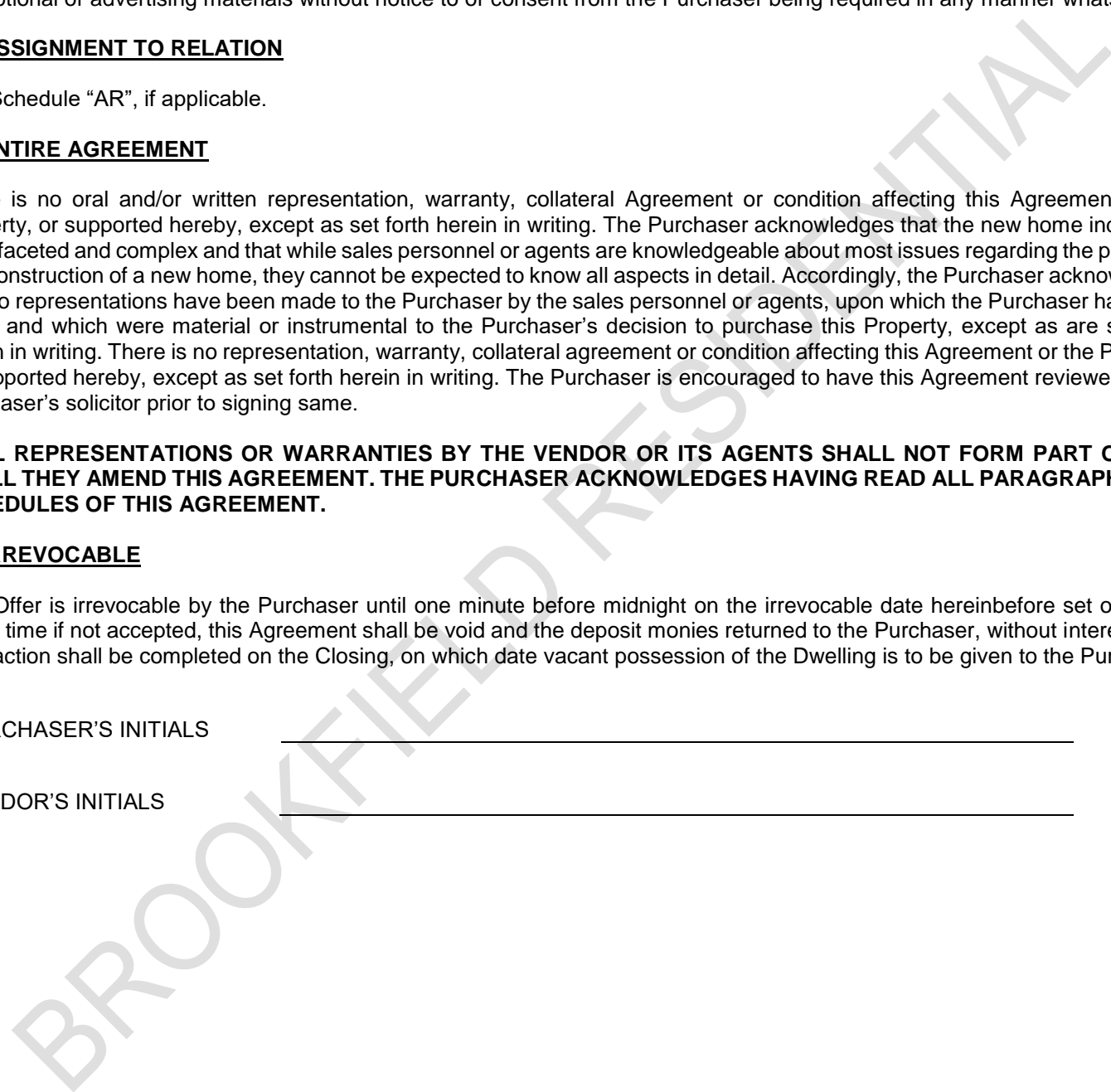
ORAL REPRESENTATIONS OR WARRANTIES BY THE VENDOR OR ITS AGENTS SHALL NOT FORM PART OF NOR SHALL THEY AMEND THIS AGREEMENT. THE PURCHASER ACKNOWLEDGES HAVING READ ALL PARAGRAPHS AND SCHEDULES OF THIS AGREEMENT.

44. IRREVOCABLE

This Offer is irrevocable by the Purchaser until one minute before midnight on the irrevocable date hereinbefore set out, after which time if not accepted, this Agreement shall be void and the deposit monies returned to the Purchaser, without interest. This transaction shall be completed on the Closing, on which date vacant possession of the Dwelling is to be given to the Purchaser.

PURCHASER'S INITIALS

VENDOR'S INITIALS



SCHEDULE 'AR'

ASSIGNMENT TO RELATION

Notwithstanding anything to the contrary herein, provided the Purchaser delivers to the Vendor:

(i) notice in writing to the Vendor with such information as the Vendor or the Vendor's solicitors may require including, but not limited to:

- (a) a statutory declaration confirming the relationship between the Purchaser and the assignee; and
- (b) the assignee's mortgage approval satisfactory to the Vendor in its sole and absolute discretion;

(ii) the Vendor's administration and processing fee of **\$5,000.00** plus Applicable Taxes together with any other applicable fees; and

(iii) the Vendor's solicitor's fees of **\$950.00** plus disbursements and Applicable Taxes;

the Purchaser shall be entitled to assign its interest in this Agreement no later than 90 days before the Closing Date to any relation (as defined in the Excise Tax Act) of the Purchaser that is eighteen years of age or older at the time of the assignment and who will acquire the Property as his/her primary place of residence.

The assignee shall be bound by all of the agreements, covenants and obligations contained in this Agreement including, without limitation, liability to the Vendor in the event that such assignee is not entitled to the Rebate referred to in the Section entitled "HST", and shall provide the Vendor with a covenant in the Vendor's form to agree to be bound as aforesaid immediately upon request by the Vendor.

Despite any such assignment, the Purchaser shall remain liable to the Vendor for the Purchaser's obligations under this Agreement, jointly and severally with the assignee.

PURCHASER'S INITIALS

VENDOR'S INITIALS

BROOKFIELD RESIDENTIAL

SCHEDULE B1 – HOME FEATURES
NEW SEATON, PICKERING
2 STOREY TOWNHOME DESIGNS
3 STOREY TOWNHOME DESIGNS
COURTYARD TOWNHOME DESIGNS

CEILINGS

9' high ceilings on lower and ground/main floor

**except in raised and sunken floor areas, stairways, cathedral/vaulted ceilings and bulkheads/dropped ceilings (where required by mechanical, plumbing and/or structural components)
ceiling height is approximately ±9'-0"*

8' high ceilings on upper/second floor

**except in raised and sunken floor areas, stairways, cathedral/vaulted ceilings and bulkheads/dropped ceilings (where required by mechanical, plumbing and/or structural components)
ceiling height is approximately ±8'-0"*

Smooth ceilings throughout

FLOOR AND STAIRCASE FINISHES

Red oak 4 3/8" structured hardwood flooring on ground/main floor, excluding tiled areas, per plan

**Select from three colours from Vendor's standard samples*

40 oz broadloom with 10mm underpad on upper/second floor (hallways to bedrooms and bedrooms), per plan and selected from Vendor's standard samples

**Excludes tiled areas; one choice of colour*

Ceramic tile in Front Foyer, Kitchen/Breakfast, Powder Room, Bathrooms, lower floor (3 Storey Townhomes only) and finished Laundry Room, per plan, selected from Vendor's samples

Stained full oak staircase, pickets and railings from ground floor to second floor, includes oak nosing under all railings throughout to coordinate with Vendor's standard samples

**Select from three colours from Vendor's standard samples*

***2 Storey Townhomes**

Stained full oak staircase, pickets and railings from main floor to upper floor, includes oak nosing under all railings throughout to coordinate with Vendor's standard samples

**Select from three colours from Vendor's standard samples*

***Courtyard Townhomes**

Stained full oak staircase, pickets and railings from lower floor to main floor, includes oak nosing under all railings throughout to coordinate with Vendor's standard samples (for 20-3 CY and 20-4 CY plans only)

**Select from three colours from Vendor's standard samples*

***Courtyard Townhomes**

Stained full oak staircase, pickets and railings from lower floor to upper floor, includes oak nosing under all railings throughout to coordinate with Vendor's standard samples

**Select from three colours from Vendor's standard samples*

***3 Storey Townhomes**

KITCHEN FEATURES

First upgrade Kitchen cabinetry in a variety of finishes, styles and colours selected from Vendor's standard samples

Extended height 39" +/- upper cabinets in Kitchen, where applicable

Quartz countertops, selected from Vendor's standard samples

Flush breakfast bars in Kitchen, per plan

Double stainless steel undermount sink with single lever Delta chrome faucet with pull out spray handle

Stainless steel canopy hood fan over stove area, vented to exterior

Standard fridge opening is approximately ±36" wide by approximately ±72" high, with deep upper cabinet, standard range opening is approximately ±30" wide, per plan

Dishwasher space includes electrical and plumbing rough-ins for future Homebuyer-purchased dishwasher

**Dishwasher hook up is not included*

Capped water line in Kitchen for future Homebuyer-purchased refrigerator.

**Refrigerator hook up is not included*

BATHROOM FEATURES

3-piece Bathrooms include vanity, toilet and acrylic skirted tub, with ceramic wall tile installed at full height, with dropped ceiling and shower rod, per plan

Primary Ensuite 3-piece Bathrooms include vanity and toilet. Frameless glass shower door with front panel to include wall-to-ceiling ceramic wall tile (installed at full height) with shower light and marble jamb, per plan

Primary Ensuite 4-piece Bathrooms include vanity, toilet and an acrylic soaker tub, with ceramic tile surround, and Delta faucet. Frameless glass shower door with front panel to include wall-to-ceiling ceramic wall tile (installed at full height) with shower light and marble jamb, per plan

First upgrade vanity cabinetry in all Bathrooms (excluding Powder Room) offered in a variety of finishes, styles and colours, from Vendor's standard samples

Quartz countertop with oval undermount sink in main and ensuite Bathrooms, from Vendor's standard samples

Single lever **Delta** faucet with pop-up drain in all Bathrooms

Schluter water-proofing system in all separate shower stalls

Mirror treatment over Bathroom vanities with wall mounted lighting

Pedestal sink in Powder Room with oval mirror, per plan
White plumbing fixtures - sinks, right height elongated toilets with soft close seat, and tubs
Decorative chrome finish bathroom accessories - towel bar and paper holder in all Bathrooms
Pressure-balance controls in all showers
Shut-off valves for all sinks

SMART HOME FEATURES

Video Doorbell
Residential "Schlage" exterior door grip set "Century" satin nickel finish, with KEYLESS ENTRY technology and custom builder logo key
Smart Home Thermostat
**2 Storey & 3 Storey Townhomes*
Dual Zone Thermostat
**Courtyard Townhomes only*
Smart Home Hub
Leak Sensor
Smart Switch for exterior lights and Foyer
**location determined by Vendor*
HVAC Performance Monitoring
USB outlet combination electrical receptacle (one in Kitchen, one in Primary Bedroom)
One internet service outlet in Family Room finished with two ports plate including two Cat6
Three Data outlets Category 6 with finished plate for IPTV
**location determined by Vendor*

HOME ENERGY-SAVING

High efficiency two-stage furnace with ECM motor
**location determined by Vendor and may vary*
Energy Recovery Ventilator System (standard ERV)
High efficiency tankless hot water heater
**Homeownership rental begins at occupancy, location determined by Vendor may vary*
Water-conserving toilets
Drain water heat-recovery unit
Foam insulation around all door and window surrounds. Foam insulation at floor of habitable rooms located over Garage spaces
All windows are factory-sealed Low E, Argon
All window and exterior door frames are caulked
Performance of exterior wall construction exceeds industry standard; professional testing by third-party Energy Rating Consultants
**performance results based on R22 insulation in walls above grade; R60 insulation in ceilings with attic space above; R20 insulation in Basement walls below grade; R10 insulation under concrete slab (as required by OBC)*3 Storey Townhomes only*; R31 insulation in exposed floors or ceiling without attic space.*

QUALITY CONSTRUCTION – EXTERIOR DETAILS

Clay brick construction on all elevations with stone skirt at front only (as per plan) with additional accent details may include high end PVC siding, brick and/or precast surrounds with precast sills, per plan
Covered portico and porches include; decorative pillars, columns and spindles, per plan
Architecturally selected exterior colour combinations
Laminated architectural shingles with limited lifetime warranty, including self-sealing composite membrane for eave and valley protection
¾" plywood roof sheathing
Pre-finished aluminium soffit, fascia, eavestrough and downspout

QUALITY CONSTRUCTION - GENERAL

Electric fireplace, per plan
Poured concrete foundation with weeping tile and damp proofing. Basement walls wrapped with air-gap waterproof drainage layer
Entrances may be sunken if required due to the property grading, per plan
Exterior walls are 2" x 6" stud construction (2" x 4" stud construction at Garage walls), per plan
¾" tongue and groove sub flooring, glued, screwed and sanded at seams
Structurally engineered floor joist system except sunken areas and landings
Quiet Wall sound absorption insulation in Primary Bedroom to reduce noise transmission, per plan
Acoustic insulation with superior fire resistance material installed to common party walls in between living spaces
6'-8" high metal insulated front entry door(s) with glazed insert and transom window above, per plan
8'-0" high metal insulated front entry door(s) with glazed insert for contemporary elevation, per plan
**2 Storey & Courtyard Townhomes only*
6' wide, 6'-8" high thermal glazed patio door(s) with screen and transom window above or single garden door, per applicable plan

±8'-0" high single garden door, per plan

**Courtyard Townhomes only*

Operable and/or non-operable thermal pane Low E Argon vinyl clad casement windows throughout, per plan. Screens on all operable windows and on sliding doors

Low E argon approximately 36" x 20" (36" x 30" in courtyard area) structural vinyl thermal pane sliding basement windows in Townhome designs

**may require window wells due to grade*

Two exterior frost-free hose bibs; one hot and cold in Garage, and one cold at rear of home

**location determined by Vendor*

**2 Storey & 3 Storey Townhomes only*

Three exterior frost-free hose bibs; one hot and cold in Garage, one cold at rear of home and one cold at front of home

**location determined by Vendor*

**Courtyard Townhomes only*

DOORS AND MILLWORK

Step-bevel trim ±5-1/2" baseboards and ±2-3/4" casing with mitred corners

Trimmed flat archways, per plan

Two-panel interior passage doors with "Schlage" door lever in "Latitude" satin-nickel finish

Sliding mirrored doors or two-panel swing door at Front Entry closet, per plan

Sliding closet doors in Bedrooms, per plan

Choice of two interior wall colours with white trim and doors

**selected from Vendor's standard samples*

LIGHTING AND ELECTRICAL SYSTEM

100 AMP electrical service, circuit breaker panel, and copper wiring throughout

Decorative black exterior light fixtures or flush mount light at front of home; black exterior light fixture at rear of home

Exterior weather-proof outlets - one at front and rear of home, one front porch soffit on separate switch (for holiday lights), per plan

Exterior weather-proof outlets – one in courtyard and one at balcony where not connected to grade, per plan

**Courtyard Townhomes only*

Electrical outlet in Garage

**one per parking space*

Electrical receptacle in Garage for future garage door opener

**one per parking space, per plan*

Designer selected light fixtures provided throughout finished areas

**except Family Room*

Capped light in Family Room, per plan

Switch controlled electrical receptacle in Family Room

Heavy-duty wiring and receptacle for clothes dryer and stove

Dryer vent to exterior with booster fan and lint trap, per plan

Panasonic Whisper Value exhaust fans in Bathrooms and Powder Room, per plan

Hard wired smoke detectors and carbon monoxide detector provided, per Ontario Building Code

Sump pump system may be required per Plan of Subdivision

**location determined by Vendor*

6" diameter exterior vent for Kitchen hood fan

White Decora plugs and switches throughout finished areas

LAUNDRY ROOM

Single basin laundry/utility tub, per plan. Includes base cabinet when in finished areas, per plan.

**base cabinet to be purchased by Homebuyer*

Provisions for future Homebuyer-purchased washer and dryer

**Washer and dryer hook up is not included*

Laundry/Utility Room may be sunken to accommodate the door to Laundry/Utility Room from Garage and/or the exterior side door

**2 Storey Townhomes only*

GARAGE

Metal-insulated decorative garage doors with window and hardware, per plan

Insulated door from house to Garage - where grade permits, up to 3 stair risers, per plan

**deck might be required to accommodate door from house to Garage*

Reinforced concrete garage floors with grade beams

Garage walls drywalled, taped and primed, per plan

LANDSCAPING

Front entrance landscape package including mix of trees and shrubs

**determined by Vendor*

Landscape pavers to front porch, where applicable

Two-stage asphalt driveway (base and topcoat). Base-coat paving completed within the first year of occupancy

Pre-cast concrete rear patio step, where applicable

Grass at front yard, back yard and courtyard, per plan
**Homesite is graded for requirements offset by the authority with jurisdiction*

All walk-out deck conditions include a deck with steps to grade and oversized basement window(s) as grade permits, per plan

All look-out conditions include a deck with steps to grade and oversized rear basement window(s) as grade permits, per plan

All walk-out basement conditions include a deck, oversized rear basement window(s) and sliding glass door or swing door from basement as grade permits, per plan

GENERAL

All selections to be chosen from Vendor's standard samples

Home professionally cleaned prior to closing

Air ducts professionally cleaned prior to closing

AquaPEX (flexible tubing) water pipes throughout

Rough-in for future Homebuyer-purchased central vacuum system on main/ground and upper/second floor

Ducts sized for future air conditioning unit

3 Piece-Rough In basement for future Bathroom, per plan

Construction of home meets and exceeds Ontario Building Code specifications

Please note: Features and Finishes vary per plan. The Vendor shall have the right to make reasonable changes in the opinion of the Vendor in the plans and specifications if required and to substitute other material for that provided for herein with material that is of equal or better quality than that provided for herein. The determination of whether or not a substitute material is of equal or better quality shall be made by the Vendor's architect whose determination shall be final and binding. Colour, texture, appearance, etc. of features and finishes installed in the Property may vary from Vendor's samples as a result of normal manufacturing and installation processes. E & O.E.

BROOKFIELD RESIDENTIAL

SCHEDULE B1 – HOME FEATURES
NEW SEATON, PICKERING
13' TOWNHOME DESIGNS

CEILINGS

9' high ceilings on lower and main floor

**except in raised and sunken floor areas, stairways, cathedral/vaulted ceilings and bulkheads/dropped ceilings (where required by mechanical, plumbing and/or structural components)
ceiling height is approximately ±9'-0"*

8' high ceilings on upper floor

**except in raised and sunken floor areas, stairways, cathedral/vaulted ceilings and bulkheads/dropped ceilings (where required by mechanical, plumbing and/or structural components)
ceiling height is approximately ±8'-0"*

Smooth ceilings throughout

FLOOR AND STAIRCASE FINISHES

Red oak 4 3/8" structured hardwood flooring on lower and main floor, excluding tiled, carpet areas, bedrooms and unfinished spaces, per plan
**Select from three colours from Vendor's standard samples*

40 oz broadloom with 10mm underpad on upper floor, per plan and selected from Vendor's standard samples
**Excludes tiled areas; one choice of colour*

Ceramic tile in Front Foyer, Kitchen, main floor Powder Room, Bathrooms and finished Laundry Room, and lower level per plan, selected from Vendor's samples

Stained full oak staircase, pickets and railings from lower floor to upper floor, includes oak nosing under all railings throughout to coordinate with Vendor's standard samples
**Select from three colours from Vendor's standard samples*

KITCHEN FEATURES

First upgrade Kitchen cabinetry in a variety of finishes, styles and colours selected from Vendor's standard samples

Extended height 39" +/- upper cabinets in Kitchen, where applicable

Quartz countertops, selected from Vendor's standard samples

Flush breakfast bars in Kitchen, per plan

Double stainless steel undermount sink with single lever Delta chrome faucet with pull out spray handle

Stainless steel canopy hood fan over stove area, vented to exterior

Standard fridge opening is approximately ±36" wide by approximately ±72" high, with deep upper cabinet, standard range opening is approximately ±30" wide, per plan

Dishwasher space includes electrical and plumbing rough-ins for future Homebuyer-purchased dishwasher
**Dishwasher hook up is not included*

Capped water line in Kitchen for future Homebuyer-purchased refrigerator.
**Refrigerator hook up is not included*

BATHROOM FEATURES

3-piece Bathrooms include vanity, toilet and acrylic skirted tub, with ceramic wall tile installed at full height, with dropped ceiling and shower rod, per plan

Primary Ensuite 3-piece Bathrooms include vanity and toilet. Frameless glass shower door with front panel to include wall-to-ceiling ceramic wall tile (installed at full height) with shower light and marble jamb, per plan

First upgrade vanity cabinetry in all Bathrooms (excluding Powder Room) offered in a variety of finishes, styles and colours, from Vendor's standard samples

Quartz countertop with oval undermount sink in main and ensuite Bathrooms, from Vendor's standard samples

Single lever **Delta** faucet with pop-up drain in all Bathrooms

Schluter water-proofing system in all separate shower stalls

Mirror treatment over bathroom vanities with wall mounted lighting

Pedestal sink in Powder Room with oval mirror, per plan where applicable

White plumbing fixtures - sinks, right height elongated toilets with soft close seats, and tubs

Decorative chrome finish bathroom accessories - towel bar and paper holder in all Bathrooms

Pressure-balance controls in all showers

Shut-off valves for all sinks

SMART HOME FEATURES

Video Doorbell

Residential "Schlage" exterior door grip set "Century" satin nickel finish, with KEYLESS ENTRY technology and custom builder logo key

Smart Home Thermostat

Smart Home Hub

Leak Sensor

Smart Switch for exterior lights and Foyer

**location determined by Vendor*

HVAC Performance Monitoring

USB outlet combination electrical receptacle (one in Kitchen, one in Primary Bedroom)

One internet service outlet in Family Room finished with two ports plate including two Cat6

Three Data outlets Category 6 with finished plate for IPTV

**location determined by Vendor*

HOME ENERGY-SAVING

High efficiency condensing boiler and heat exchanger

**location determined by Vendor and may vary*

Energy Recovery Ventilator System (standard ERV)

High efficiency hot water tank

**Homeownership rental begins at occupancy, location determined by Vendor may vary*

Water-conserving toilets

Drain water heat-recovery unit

Foam insulation around all door and window surrounds. Foam insulation at floor of habitable rooms located over Garage spaces

All windows are factory-sealed Low E, Argon

All window and exterior door frames are caulked

Performance of exterior wall construction exceeds industry standard; professional testing by third-party Energy Rating Consultants

**performance results based on R22 insulation in walls above grade; R60 insulation in ceilings with attic space above; R20 insulation below concrete floor slab; R31 insulation in exposed floors or ceiling without attic space.*

QUALITY CONSTRUCTION – EXTERIOR DETAILS

Clay brick construction on all elevations with stone skirt at front only (as per plan). Additional accent details may include high end PVC siding, brick and/or precast surrounds with precast sills, per plan

Covered porches include; decorative pillars, columns and spindles, per applicable plan

Architecturally selected exterior colour combinations

Laminated architectural shingles with limited lifetime warranty, including self-sealing composite membrane for eave and valley protection

±3/8" plywood roof sheathing

Pre-finished aluminium soffit, fascia, eavestrough and downspout

Pressure treated sleeper decking for Terrace and balcony

QUALITY CONSTRUCTION - GENERAL

Entrances may be sunken if required due to the property grading, per plan

Exterior walls are 2" x 6" stud construction (2" x 4" stud construction at Garage walls), per plan

±7/8" tongue and groove sub flooring, glued, screwed and sanded at seams

Structurally engineered floor joist system except sunken areas and landings

Quiet Wall sound absorption insulation in Primary Bedroom to reduce noise transmission, per plan

Acoustic insulation with superior fire resistance material installed to common party walls in between living spaces

±8'-0" high metal insulated front entry door(s) with glazed insert, per plan

±6' wide, ±8'-0" high thermal glazed patio door(s) with screen for main floor, per plan

±6' wide, ±6'-8" high thermal glazed patio door(s) with screen or single garden door for upper floor, per plan

Operable and/or non-operable thermal pane Low E Argon vinyl clad casement windows throughout, per plan. Screens on all operable windows and on sliding doors

Three exterior frost-free hose bibs; one hot and cold in Garage, one cold on rear terrace and one cold at front of home

**location determined by Vendor*

Poured concrete foundation. Slab-on-grade construction

DOORS AND MILLWORK

Step-bevel trim ±5-1/2" baseboards and ±2-3/4" casing with mitred corners

Trimmed flat archways, per plan

Two-panel interior passage doors with "Schlage" door lever in "Latitude" satin-nickel finish

Two-panel swing door at Front Entry Closet, per plan

Sliding closet doors in Bedrooms, per plan

**except Front Entry Closet*

Choice of two interior wall colours with white trim and doors

**selected from Vendor's standard samples*

LIGHTING AND ELECTRICAL SYSTEM

100 AMP electrical service, circuit breaker panel, and copper wiring throughout

Decorative black exterior light fixtures or flush mount light at front of home; black exterior light fixture at rear of home

Exterior weather-proof outlets - one at front and rear terrace, one front porch soffit on separate switch (for holiday lights), per plan

Electrical outlet in Garage

**one per parking space*

Electrical receptacle in Garage for future garage door opener

**one per parking space, per plan*

Designer selected light fixtures provided throughout finished areas

**except Family Room*

Capped light in Family Room, per plan

Switch controlled electrical receptacle in Family Room

Heavy-duty wiring and receptacle for clothes dryer and stove

Dryer vent to exterior with booster fan and lint trap, per plan

Panasonic Whisper Value exhaust fans in Bathrooms and Powder Room, per plan

Hard wired smoke detectors and carbon monoxide detector provided, per Ontario Building Code

Sump pump system may be required per Plan of Subdivision

**location determined by Vendor*

6" diameter exterior vent for Kitchen hood fan

White Decora plugs and switches throughout finished areas

LAUNDRY ROOM

Single basin laundry/utility tub, per plan. Includes base cabinet when in finished areas

Provisions for future Homebuyer-purchased washer and dryer

**Washer and dryer hook up is not included*

Laundry/Utility Room may be sunken to accommodate the door to Laundry/Utility Room from Garage and/or the exterior side door

GARAGE

±9' wide metal-insulated decorative garage doors with window and hardware, per plan

Insulated door from house to Garage - where grade permits, up to 3 stair risers, per plan

**deck might be required to accommodate door from house to Garage*

Reinforced concrete garage floors with grade beams

Garage walls drywalled, taped and primed, per plan

LANDSCAPING

Front entrance landscape package including mix of trees and shrubs

**determined by Vendor*

Landscape pavers to front porch, where applicable

Two-stage asphalt driveway (base and topcoat). Base-coat paving completed within the first year of occupancy

Grass at front yard

**Homesite is graded for requirements offset by the authority with jurisdiction*

GENERAL

All selections to be chosen from Vendor's standard samples

Home professionally cleaned prior to closing

Air ducts professionally cleaned prior to closing

AquaPEX (flexible tubing) water pipes throughout

Rough-in for future Homebuyer-purchased central vacuum system on lower, main and upper floor

Ducts sized for future air conditioning unit

Construction of home meets and exceeds Ontario Building Code specifications

Please note: The Vendor shall have the right to make reasonable changes in the opinion of the Vendor in the plans and specifications if required and to substitute other material for that provided for herein with material that is of equal or better quality than that provided for herein. The determination of whether or not a substitute material is of equal or better quality shall be made by the Vendor's architect whose determination shall be final and binding. Colour, texture, appearance, etc. of features and finishes installed in the Property may vary from Vendor's samples as a result of normal manufacturing and installation processes. E & O.E.

SCHEDULE "D"
NEW SEATON PHASE 2 – PICKERING
NOTICES AND WARNING CLAUSES

The purchaser shall execute any and all acknowledgements and releases required by the relevant governmental authorities in accordance with the provisions of this Agreement.

The Purchaser is hereby notified of the following warning and notice clauses:

General Notice re: Traffic/Roads

Purchasers and/or tenants are advised Whitevale Road will be closed to vehicular traffic immediately east of the Hamlet of Whitevale as shown in the draft Hamlet of Whitevale Transportation Mitigation Study dated August 2013.

General Notice re: Natural Heritage System

Purchasers and/or tenants are advised that the open space adjacent to the subject property is considered to be part of the publicly owned natural heritage system and will be maintained for environmental protection and public use purposes. Uses such as private picnics, barbeque or garden areas; and/or the dumping of refuse (e.g. grass/garden clippings household compostable goods, garbage etc.) are not permitted on these lands. In addition, access to the valley corridor such as private rear yard gates and/or ladders are prohibited.

Purchasers and/or tenants are advised that the stormwater management facilities and the publicly-owned natural heritage system area are to be kept in a natural state and such, routine maintenance such as grass and weed cutting is prohibited.

General Notice re: Noise

Blocks 4, 33 to 35, 39:

Purchasers and/or tenants are advised that the above dwellings are fitted with a central air conditioning/ventilation system to allow the windows and exterior doors to remain closed, thereby achieving indoor sound levels within the limited recommended by the Ministry of Environment. (Note: The location and installation of the outdoor air conditioning device should be done so as to comply with noise criteria of MOE thus minimize the noise impacts both on and in the immediate vicinity of the subject property.)

Block 39:

Purchasers and/or tenants are advised that despite the inclusion of noise abatement features within the development area, sound levels from road traffic and future commercial development may be of concern, occasionally interfering with some activities of the dwelling occupants as the noise level will exceed the Ministry of Environment's noise criteria. Purchasers and/or tenants are advised that these dwelling units require some exterior windows/doors to have a higher STC rating.

Blocks 5, 21 to 32, 40, 41, 55:

Purchasers and/or tenants are advised that the dwelling was fitted with ducting sized to accommodate a central air conditioning unit/ventilation system. The installation of central air conditioning by the homeowner will allow windows and exterior doors to be kept closed, thereby achieving indoor sounds levels within the limits recommended by the Ministry of Environment. (Note: The location and installation of the outdoor air conditioning device should be done so as to comply with the noise criteria of MOE and thus minimize the noise impacts both on and in the immediate vicinity of the subject property).

Blocks 4, 5, 21 to 35, 40, 41:

Purchasers and/or tenants are advised that sound levels due to increasing road traffic, future commercial development and proposed school may occasionally interfere with some activities of the dwelling occupants as the sound level will exceed the Ministry of Environment's noise criteria.

General Notice re: Parking

Purchasers and/or tenants are advised that for all dwelling units with a single car garage

that the City's by-laws require two parking spaces for the dwelling which have been provided, one in the garage and one in the driveway and that increasing the width of the driveway to accommodate side by side parking is not permitted. Accordingly, the Purchaser of the townhouse dwelling units within this plan of subdivision acknowledge that driveway widths are not to be increased to accommodate two cars being parked side by side.

General Notice re: Municipal Addressing

Purchasers and/or tenants are advised that preliminary addressing has been assigned to the units being constructed within this plan of subdivision. It should be noted that, amendments to this plan of subdivision may occur prior to the registration of this plan of subdivision and therefore the addresses that have been assigned as at this date are subject to change.

Purchasers and/or tenants are advised that The City of Pickering will not be responsible, financially or otherwise, for any amendments that may be made to the plan of subdivision and/or any future changes that may be made to the assigned municipal address numbers. Official municipal address numbers will be issued only after the registration of this plan of subdivision.

General Notice re: Postal Services

Purchasers and/or tenants are advised that mail delivery will be from a designated community mailbox.

General Notice re: School Locations and School Boards

Purchasers and/or tenants are advised that despite the best efforts of the Durham District School Board and the Durham Catholic School Board, students from this development may have to attend existing schools. Although a school site has been reserved within this plan of subdivision, a school may not be constructed for some time, if at all, and then only if the Ministry of Education authorizes funding and construction of this school.

General Notice re: Landscaping

Purchasers are advised that the vendor shall undertake and bear the cost of the following items and the Purchaser is not required to pay this expense:

- a) Corner lot fencing as directed on the approved landscaping plans;
- b) Rear lot fencing (if required) as directed on the approved landscaping plans;
- d) Fencing (if required) along school blocks, park blocks, walkways, and open space

Purchasers are further advised that privacy fencing are to be installed on their lot, and that fencing will not be assumed by the Town nor be responsible for the maintenance, liability, inconvenience or nuisance associated with the fencing which may present itself, and that maintenance and liability of the fencing shall be borne solely by the registered owners of the lots that contain fencing.

General Notice re: Rear Lot Catch Basin and Easements

Purchasers and/or tenants are advised that due to grading requirements, the presence of a rear yard catchbasin and associated easements and underground piping on the lot may be required. It is the responsibility of the Purchaser to maintain the rear lot catch basin and to keep clear of easements. The catchbasin and grading of the lot shall not be altered or blocked in any way so as to impede drainage of stormwater. Should a privacy fence be erected within the easements, it is the purchaser's responsibility to remove it and/or be back charged for the City to remove it to access the easement.

Purchasers and/or tenants are advised that utility meters may be relocated from the side yard to the front of the home due to easement requirements.

General Notice re: Retaining Wall

Purchasers acknowledge that a retaining wall will be constructed adjacent to their lot, so that grading in accordance with Municipality Design Criteria can be achieved and shall not be altered in any way.

General Notice re: Rear Yard Rain Barrels

Purchasers and/or tenants are advised that due to drainage requirements, the presence of rear yard rain barrels and associated underground piping on the lot may be required and it is the responsibility of the Purchaser to maintain the rain barrels. The rain barrels are part of an integrated and engineered system tied to the overall community and approved by governing agencies, and shall not be altered or removed in anyway so as to impede the drainage of stormwater.

PURCHASER'S INITIALS _____

VENDOR'S INITIALS _____

BROOKFIELD RESIDENTIAL

SCHEDULE "K"
CONSTRUCTION ACKNOWLEDGEMENT

Construction Status of Home:

- Pre-Construction
- Excavation/Foundation
- Framing/Structure
- Electrical, Data, Plumbing and Gas Rough-Ins (Mechanical)
- Drywall – As Built
- Complete – As Built, As Installed

I/We, the Homebuyer(s) of the property known as _____
in the Town of _____ hereby acknowledge and agree to the following:

Homebuyer(s) acknowledges that the construction of the home will continue and that certain options may not be available for re-location or purchase at specific construction stages. Once requested by the Homebuyer(s), the Inspiration Studio will provide further details. The Inspiration Studio will schedule your Selections Appointment(s) according to your construction schedule. All selections are required to be finalized at this appointment and changes afterwards at the request of the Homebuyer will not be permitted.

In order to stay on schedule and coordinate materials, options are selected and finalized 2 stages ahead of current construction status.

Pre-Construction

Homebuyer(s) acknowledges and accepts that during the Pre-Construction stage, the options are available as listed below. Some options will not be available once permit has been received.

Construction task completed at Pre-Construction:

- a) Siting requested / received
- b) Permit applied / received

| Permitted Options at Pre-Construction: | Non Permitted Options at Pre-Construction: |
|---|---|
| Minor revisions to exterior doors | Changes that affect building footprint and square footage of the selected home design |
| Minor framing changes | Framing changes that affect mechanical and/or structural walls |
| Optional framing selections available as per plan (ie optional coffered ceiling, optional doors, etc) | |
| Ceiling height modifications, as available | |

Excavation/Foundation

Homebuyer(s) acknowledges and accepts that once the house reaches the Excavation/Foundation stage, the options are available as listed below.

Construction task completed at Excavation/Foundation:

- a) Lot stakeout
- b) Construction start
- c) Excavation
- d) Pin and pour footings
- e) Pour foundation walls
- f) Lumber, roof trusses and stairs ordered

| Permitted Options at Excavation/Foundation: | Non Permitted Options at Excavation/Foundation: |
|--|---|
| Electrical & data selections (ie pot lights, additional outlets and internet connections, TV provisions, smart home features, etc) | Minor revisions to exterior doors |
| Plumbing selections (double-sink applications, hand-held shower options, wall-hung vanity, etc) | Minor framing changes |
| Gas lines | Optional framing selections available as per plan (ie optional coffered ceiling, optional doors, etc) |
| | Ceiling height modifications |

Framing/Structure

Homebuyer(s) acknowledges and accepts that once the house reaches the Framing/Structure stage, the options are available as listed below.

Construction task completed at Framing / Structure:

- a) Framing begins
- b) Windows and doors ordered
- c) Framing of roof
- d) Basement and garage slab poured

| Permitted Options at Framing/Structure: | Non Permitted Options at Framing/Structure: |
|--|--|
| Cabinetry & countertop selections | Electrical & data selections (ie pot lights, additional outlets and internet connections, TV provisions, smart home features, etc) |
| Flooring & wall tile selections | Plumbing selections (double-sink applications, hand-held shower options, wall-hung vanity, etc) |
| Plumbing fixtures (ie sinks & faucets) | Gas lines |
| Paint selection | |
| Trim & doors | |
| Staircase stain & railing selections | |

Electrical, Data, Plumbing and Gas Rough-Ins (Mechanical)

Homebuyer(s) acknowledges and accepts that once the house reaches the Electrical, Data, Plumbing and Gas Rough-Ins (Mechanical) stage, the options are available as listed below.

Construction tasks completed at Electrical, Data and Gas Rough-ins:

- a) HVAC Rough-in
- b) Electrical rough-in
- c) Plumbing rough-in
- d) Hot water tank installed
- e) Gas & Hydro meter installed
- f) Cabinets measured and ordered
- g) Roof shingles installed

| Permitted Options at Mechanical (Gas), Electrical/Data and Plumbing: | Non Permitted Options at Mechanical (Gas), Electrical/Data and Plumbing: |
|---|--|
| Cabinetry & countertop selections | Electrical & data selections (ie pot lights, additional outlets and internet connections, TV provisions, smart home features, etc) |
| Flooring & wall tile selections | Plumbing selections (double-sink applications, hand-held shower options, wall-hung vanity, etc) |
| Plumbing fixtures (ie sinks & faucets) | Gas lines |
| Paint selection | |
| Trim & doors | |
| Staircase stain & railing selections | |

Drywall

Homebuyer(s) acknowledges and accepts that once the house reaches drywall stage, the options are available as listed below.

Construction tasks completed at Drywall:

- a) Home and garage is insulated
- b) Drywall and tape installed
- c) Prime, paint, ceiling sprayed

| Permitted Options at Drywall: | Non Permitted Options at Drywall: |
|--|--|
| Cabinetry & countertop selections | Electrical & data selections (ie pot lights, additional outlets and internet connections, TV provisions, smart home features, etc) |
| Flooring & wall tile selections | Plumbing selections (double-sink applications, hand-held shower options, wall-hung vanity, etc) |
| Plumbing fixtures (ie sinks & faucets) | Gas lines |
| Paint selection | |

| | |
|--------------------------------------|--|
| Trim & doors | |
| Staircase stain & railing selections | |

Complete

Homebuyer(s) is aware that homes at complete stage are delivered as built and no changes are permitted.

NOTE: Due to timing deadlines, construction progress cannot be altered.

By signing below, I / we confirm our acceptance of the aforementioned and further acknowledge and accept that construction of the home is ongoing and will continue during the conditional time period and that certain options may not be available for purchase upon the firm-up date.

Upgrade options / late requests have charges associated to them. Such charges will be paid in full at the time of selection. Late requests may not be permitted, depending on stage of construction.

PURCHASER'S INITIALS

VENDOR'S INITIALS

BROOKFIELD RESIDENTIAL

SCHEDULE "K1"
SUPPLY CHAIN DISRUPTION ACKNOWLEDGEMENT

I/We, the Homebuyer(s) of the property known as _____
in the Town of _____ hereby acknowledge the following:

The new-home construction industry in North America is experiencing constraints within the materials supply chain. Many items are in short supply or completely unavailable. This is the result of factory closures and related depletion of stock, as well as a surge in new home sales and construction.

Unavailability of some components may result in a delay of completion of your new home. We are working closely with our trade partners and suppliers to secure suitable alternative components of equal or superior quality when originally specified materials are unavailable. It is important to note that all homebuilding components are subject to this supply chain disruption.

PURCHASER'S INITIALS _____

VENDOR'S INITIALS _____

BROOKFIELD RESIDENTIAL

SCHEDULE "N"

NEW SEATON – PICKERING

Homeowner Information and Natural Stewardship Guide

Purchasers and/or tenants are advised that a homeowner education program titled 'Homeowner Information and Natural Stewardship Guide' has been prepared to the satisfaction of the City, which forms part of this Agreement of Purchase and Sale. This guide shall describe the value and importance of the natural Heritage System, the impact homeowner activities can have on natural areas, and steps which can be taken to minimize such impact in order to assist in protection of the Natural Heritage System. The guide shall address such activities as:

- i. refuse/yard waste/composting;
- ii. fertilizer, herbicides and pesticide use as it relates to the hydrogeological features and functions of the site;
- iii. the identification and protection of natural areas, vegetation preservation zones, rehabilitation areas and landscape buffer plantings;
- iv. access and trail use discouraging vegetation trampling;
- v. domestic pet impacts and controls;
- vi. invasive plant spreading;
- vii. promoting planting of native species;
- viii. proper swimming pool management techniques;
- ix. impacts of noise and lighting including directing lighting away from wooded and natural areas and setting with motion detectors to minimize constant lighting;
- x. protection of soil and vegetation on natural areas;
- xi. the ecological role of stormwater treatment facilities; and
- xii. the importance of choosing sustainable technologies and maintaining the required LID facilities

The Homeowner Information and Natural Stewardship Guide is included herein and the Purchasers and or/tenants hereby acknowledge receipt of the guide.

PURCHASER'S INITIALS

VENDOR'S INITIALS

BROOKFIELD RESIDENTIAL

SCHEDULE "N-C"

Non-Canadians

1. The Purchaser hereby covenants, warrants and represents to the Vendor that: the Purchaser has executed this Agreement of Purchase and Sale (and this Schedule) entirely voluntarily; the Purchaser has no obligation to execute this Agreement of Purchase and Sale (including this Schedule); the Purchaser has had the opportunity to obtain legal advice prior to executing this Agreement of Purchase and Sale (including this Schedule).
2. The Purchaser hereby covenants, warrants and represents to the Vendor that it is aware of, and understands, the provisions contained in the *Prohibition on the Purchase of Residential Property by Non-Canadians Act* and all regulations thereto (*Prohibition on the Purchase of Residential Property by Non-Canadians Act* and all regulations thereto, as may be amended from time to time, are herein collectively referred to as the "**PRPNC Act**").
3. The Purchaser covenants, warrants and represents to the Vendor that the Purchaser is not a non-Canadian as defined by the PRPNC Act, or if the Purchaser is a non-Canadian, that the Purchaser qualifies for an exception as set out in the PRPNC Act (an "**Exception**") from the prohibition as set out in the PRPNC Act (the "**Prohibition**").
4. If, on or before the Closing Date, the Purchaser is a Non-Canadian (and does not qualify for an Exception from the Prohibition), same shall constitute a breach under this Agreement of Purchase and Sale which shall, at the Vendor's sole option, entitle the Vendor to terminate this Agreement and retain the deposit monies and all other monies paid pursuant to this Agreement of Purchase and Sale as liquidated damages and not as 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.
5. The Purchaser hereby indemnifies and saves harmless the Vendor and all corporations and partnerships related, affiliated or associated therewith, and their respective directors, officers, partners, employees and agents, and their legal personal representatives, successors or assigns of each, from and against all loss, liability, claims, demands, damages, costs and expenses which may be made or brought against any of them, or which they may sustain by reason of the Purchaser being a non-Canadian or not qualifying for an Exception from the Prohibition in accordance with the PRPNC Act or the Purchaser's breach of the terms hereof.
6. The Purchaser shall within ten (10) days of request by the Vendor provide such written evidence and confirmation as required by the Vendor from time to time that Purchaser is not a non-Canadian or that the Purchaser qualifies for an Exception to the Prohibition in accordance with the PRPNC Act.
7. On the Closing Date, the Purchaser shall cause the Purchaser's solicitor to deliver to the Vendor's solicitor such documentation as the Vendor may request to confirm that the covenants, warranties and representations contained herein were true and accurate as at the date the Purchaser executed this Agreement of Purchase and Sale (and this Schedule) and continued to be true and accurate up to and including the Closing Date.

DATED this _____, 2023.

PURCHASER'S INITIALS _____

VENDOR'S INITIALS _____

SCHEDULE "R"

Water Heater Rental

The Purchaser hereby acknowledges and agrees that the water heating system and any related Equipment (collectively, the "**Water Heating System**") is a rental. The Purchaser shall comply with the provisions of this Agreement in regards to the rental of such Equipment including, without limitation, execution of the Equipment provider's form of rental/lease agreement and/or any ancillary documentation. The Vendor may, at its sole and unfettered discretion, change the provider of the rental Equipment.

By signing below, the Purchaser acknowledges that they have received a copy of the water heater rental brochure from the Vendor. The purchaser further acknowledges the terms and conditions are subject to change without notice and are provided for informational purposes only.

PURCHASER'S INITIALS _____

VENDOR'S INITIALS _____

BROOKFIELD RESIDENTIAL

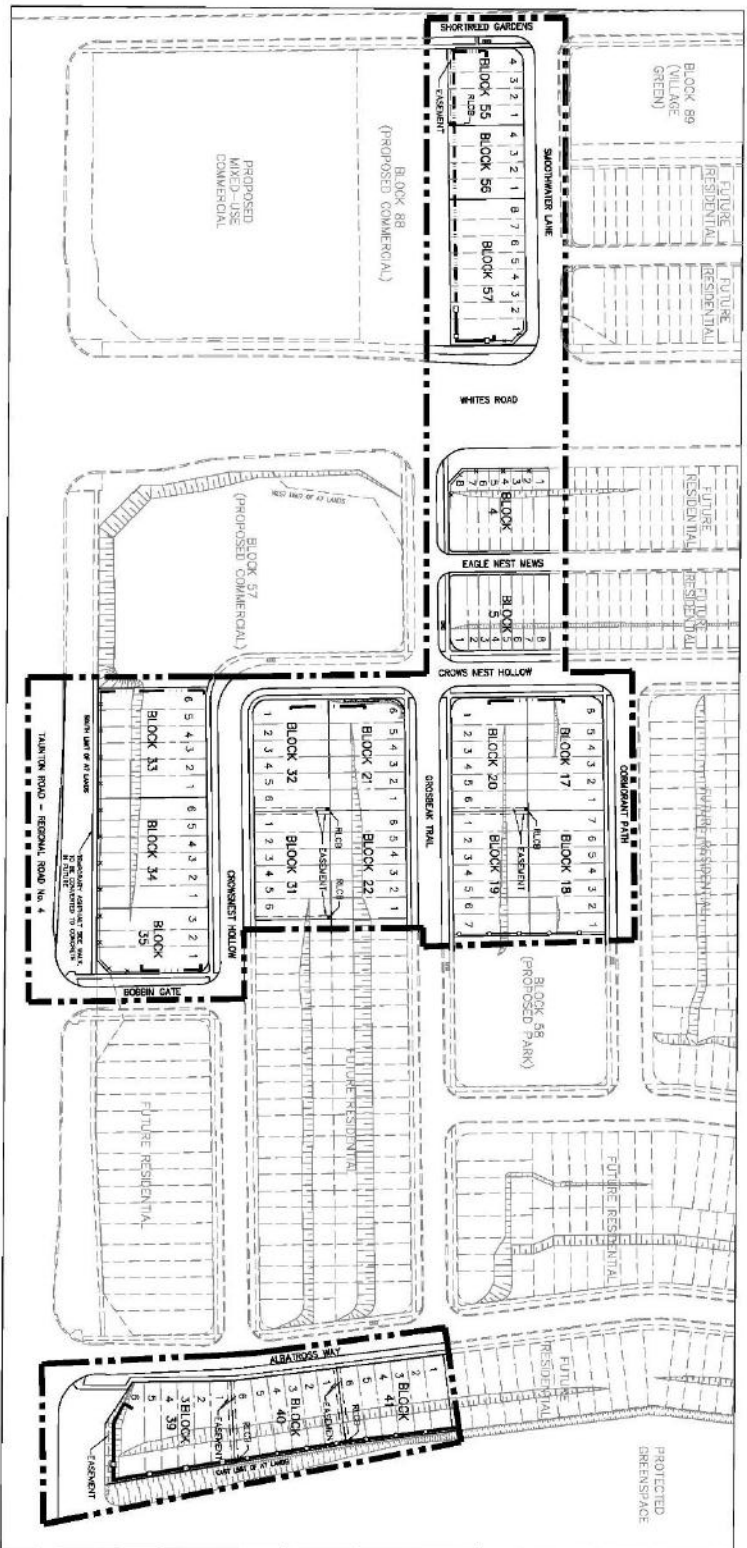
**SCHEDULE "W"
FLOOR PLAN**

[TO BE PROVIDED BY THE VENDOR]

BROOKFIELD RESIDENTIAL

SCHEDULE "Z" SITE PLAN

Brookfield PICKERING - NEW SEATON Residential SCHEDULE Z PHASE 2-A



PLAN OF SUBDIVISION OF
PART OF LOTS 23, 24 AND 25
CONCESSION 3
(Reference Number of Drawing)
CITY OF PICKERING
REGIONAL MUNICIPALITY
OF DURHAM

LEGEND

- BOUNDARY OF BROOKFIELD LOTS IN PHASE
- PROPERTY LINES
- PROPOSED 1.5m-1.8m CONC. SIDEWALK
- PROPOSED 1.8m HIGH WOOD PRIVACY FENCE
- PROPOSED 2.5m HIGH ACQUSTIC FENCE
- PROPOSED 1.5m HIGH BLACK VINYL CHAIN LINK FENCE
- PROPOSED 1.2m HIGH BLACK VINYL CHAIN LINK FENCE
- PROPOSED 0.914m HIGH DECORATIVE FENCE
- EASEMENT
- R/CB
- TEMPORARY DEAD END BARRICADE
- ☒ PROPOSED MAIL BOX
- BEAM
- RETAINING WALL

NOTE: ALL INFORMATION IS SUBJECT TO FINAL ENGINEERING AND TOWN APPROVALS. THE LOCATIONS OF SIDEWALKS, LANDSCAPING FEATURES AND FENCING ARE SUBJECT TO CHANGE BY THE TOWN AT ANY TIME WITHIN THE PERMITTED DEVELOPMENT PERIOD. THE PLANNED SITES AND FUR INFORMATION VISITORS ONLY.

ISSUED: FEBRUARY 14, 2022
REVISED AUG 18, 2022
CHAINLINK FENCE AT THE SOUTH SIDE OF BLOCK 55, IS UPDATED TO WOOD PRIVACY FENCE
REVISED SEP 16, 2022
STREET NAMES WERE UPDATED TO 'CROWNEST HOLLOW' AND 'GROSBEAK TRAIL'.
REVISED MARCH 9, 2023
WOOD PRIVACY FENCES WERE REMOVED FROM SOUTH SIDE OF BLOCK 4 - UNIT 8 AND BLOCK 5 - UNIT 1. STREET NAME SIDELINE 28 WAS UPDATED TO WHITES ROAD.
REVISED MARCH 24, 2023
ADDITION OF BEAM AND RETAINING WALL TO WEST CORNER OF BLOCK 21 - UNIT 6.
REVISED AUGUST 29, 2023
ADDITION OF BLOCKS 56 AND 57, ADDITION OF MAILBOX ON WEST SIDE OF BLOCK 55, ADDITION OF 1.2M CHAINLINK FENCE ON THE EAST SIDE OF BLOCKS 40 & 41.

KEY PLAN



SCALE: N.T.S.



AMENDMENT TO THE AGREEMENT OF PURCHASE AND SALE

BETWEEN: **Brookfield Residential (Ontario) Limited** AS VENDOR

AND AS PURCHASER(S)

AGREEMENT DATED THE

REGARDING Property known as:

New Seaton

Lot Number:

IT IS HEREBY UNDERSTOOD AND AGREED between the Vendor and Purchaser that the following change(s) shall be made to the above mentioned Agreement of Purchase and Sale, and except for such change(s) noted below, all other terms and conditions of the Agreement shall remain as stated therein, and time to be of the essence.

DELETE:

INSERT:

This is a Firm and Binding Agreement of Purchase and Sale

DATED THIS

IN WITNESS WHEREOF the parties hereto have affixed their hand.

SIGNED, and DELIVERED IN THE PRESENCE OF:

PURCHASER

PURCHASER

COMMUNITY AMBASSADOR

Brookfield Residential (Ontario) Limited
VENDOR

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 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.

PURCHASER'S INITIALS

VENDOR'S INITIALS

Find more warranty information at Tarion.com

**Freehold Form
(Tentative Closing Date)**

Property: _____ Lot: _____ Block: _____

**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 _____
Brookfield Residential (Ontario) Limited
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 _____.

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 _____.

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 _____.

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 _____.

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: (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. _____ the _____ day of _____.

Notice of a second delay in Closing must be given no later than: (i.e., at least **90 days** before the Second Tentative Closing Date), or else the Second Tentative Closing Date becomes the Firm Closing Date. _____ the _____ day of _____.

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 _____.

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 _____.

VENDOR: _____ PURCHASER: _____

**Freehold Form
(Tentative Closing Date)**

**Addendum to Agreement of Purchase and Sale
Delayed Closing Warranty**

This addendum, including the accompanying Statement of Critical Dates (the “**Addendum**”), forms part of the agreement of purchase and sale (the “**Purchase Agreement**”) between the Vendor and the Purchaser relating to the Property. This Addendum is to be used for a transaction where the home purchase is in substance a purchase of freehold land and residential dwelling. This Addendum contains important provisions that are part of the delayed closing warranty provided by the Vendor in accordance with the *Ontario New Home Warranties Plan Act* (the “ONHWP Act”). If there are any differences between the provisions in the Addendum and the Purchase Agreement, then the Addendum provisions shall prevail. **PRIOR TO SIGNING THE PURCHASE AGREEMENT OR ANY AMENDMENT TO IT, THE PURCHASER SHOULD SEEK ADVICE FROM A LAWYER WITH RESPECT TO THE PURCHASE AGREEMENT OR AMENDING AGREEMENT, THE ADDENDUM AND THE DELAYED CLOSING WARRANTY.**

Tarion recommends that Purchasers register on Tarion’s **MyHome** on-line portal and visit Tarion’s website – **tarion.com**, to better understand their rights and obligations under the statutory warranties.

The Vendor shall complete all blanks set out below.

VENDOR

| | | | |
|--|-------------------------------------|----|----------|
| Brookfield Residential (Ontario) Limited | | | |
| Full Name(s) | | | |
| 45974 | 3381 Steeles Avenue East, Suite 100 | | |
| HCRA Licence Number | | | |
| 905-477-5111 | Address | | |
| | Toronto | ON | M2H 3S7 |
| Phone | | | |
| 905-477-9001 | City | | Province |
| | Postal Code | | |
| Fax | | | |
| | Email | | |

PURCHASER

| | | | |
|--------------|------|----------|-------------|
| Full Name(s) | | | |
| Address | | | |
| | City | Province | Postal Code |
| Phone | | | |
| Fax | | | |
| Email* | | | |

PROPERTY DESCRIPTION

| | | | |
|--|----------|-------------|--|
| Municipal Address | | | |
| City | | | |
| | Province | Postal Code | |
| Short Legal Description | | | |
| Number of Homes in the Freehold Project _____ (if applicable – see Schedule A) | | | |

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

- (a) The Property is within a plan of subdivision or a proposed plan of subdivision. Yes No
If yes, the plan of subdivision is registered. Yes No
If the plan of subdivision is not registered, approval of the draft plan of subdivision has been given. Yes No
- (b) The Vendor has received confirmation from the relevant government authorities that there is sufficient: Yes No
(i) water capacity; and (ii) sewage capacity to service the Property.

If yes, the nature of the confirmation is as follows: _____
If the availability of water and sewage capacity is uncertain, the issues to be resolved are as follows: _____

- (c) A building permit has been issued for the Property. Yes No
(d) Commencement of Construction: has occurred; or is expected to occur by the

The Vendor shall give written notice to the Purchaser within 10 days after the actual date of Commencement of Construction.

***Note: Since important notices will be sent to this address, it is essential that you ensure that a reliable email address is provided and that your computer settings permit receipt of notices from the other party.**

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"):

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- (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.

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“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.
- (j) Gender-specific terms include both sexes and include corporations.

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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.

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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.

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SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

These are additional charges, fees or other anticipated adjustments to the final purchase price or balance due on Closing, the dollar value of which is stipulated in the Purchase Agreement and set out below.

| | |
|--|-------------------------------|
| 1. N.S.F ADMINISTRATIVE FEE Section 1(e) of Schedule "1" | \$350.00 + HST per occurrence |
| 2. FAILURE TO PROVIDE CHANGE/AMEND OR PROVIDE CORRECT PURCHASER OR SOLICITOR INFORMATION Section 29(d) of Schedule "1" | \$250.00 + HST |
| 3. RELEASE OF VENDOR'S LIEN Section 1(g) of Schedule "1" | \$100.00 + HST |
| 4. SECURITY DEPOSIT RE: GRADING/SUBDIVISION DAMAGE Section 1(h) of Schedule "1" | \$3,500.00 |
| 5. DEFAULT LETTER/NOTICE Section 13 of Schedule "1" | \$500.00 + HST per occurrence |
| 6. PREPARATION AND COST OF REGISTERING DISCHARGES Section 27 of Schedule "1" | \$150.00 + HST |
| 7. ELECTRONIC REGISTRATION SYSTEM FEE Section 34(a) of Schedule "1" | \$250.00 + HST |
| 8. VENDOR'S FEE RE: ASSIGNMENT TO RELATION Schedule "AR" | \$5,000.00 + HST |
| 9. VENDOR'S SOLICITOR'S FEE RE: ASSIGNMENT TO RELATION Schedule "AR" | \$950.00 + HST |
| 10. WIRE TRANSFER/DIRECT DEPOSIT ADMINISTRATIVE FEE (if applicable) Section 1(o) of Schedule "1" | \$150.00 + HST per occurrence |
| 11. NON-COMPLIANCE WITH WIRE TRANSFER/DIRECT DEPOSIT FORMS (if applicable) Section 1(o) of Schedule "1" | \$150.00 + HST per occurrence |

PART II All Other Adjustments – to be determined in accordance with the terms of the Purchase Agreement

These are additional charges, fees or other anticipated adjustments to the final purchase price or balance due on Closing which will be determined after signing the Purchase Agreement, all in accordance with the terms of the Purchase Agreement.

1. REALTY TAXES, FUEL, WATER RATES, ASSESSMENT RATES AND LOCAL IMPROVEMENTS
Section 1(b) of Schedule "1"
2. TRANSACTION LEVY SURCHARGE
Section 1(c) of Schedule "1"
3. ENROLMENT AND/OR REGULATORY FEES
Section 1(d) of Schedule "1"
4. UTILITY COSTS (INSTALLATION, CONNECTION, ENERGIZATION, FEES, PREPAYMENTS, SECURITY DEPOSITS
ETC.)
Section 1(a) of Schedule "1"
5. CANADA POST FEE (if applicable)
Section 1(j) of Schedule "1"
6. ANY EXISTING/INCREASED/NEW LEVIES/CHARGES ETC.
Section 1(f) and (g) of Schedule "1"

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7. VENDOR'S SOLICITOR'S LEGAL FEES RE: NON-ELECTRONIC DOCUMENTS
Section 33(a) of Schedule "1"
8. EFTS FEES AND CHARGES (if applicable)
Section 33(b)(iii) of Schedule "1"
9. PAYMENT OF HST REBATE (if applicable)
Section 17 of Schedule "1"
10. VENDOR'S LIEN COSTS, INCLUDING VENDOR'S SOLICITOR'S LEGAL FEES & DISBURSEMENTS (if applicable)
Section 1(g) of Schedule "1"
11. FOUNDATION / BUILDING SURVEY COSTS (if applicable)
Section 1(k) of Schedule "1"
12. REIMBURSEMENT OF VENDOR'S COSTS RE: INSTALLTION OF AIR CONDITIONING (if applicable)
Section 1(l) of Schedule "1"
13. CHARGES RE: BLUE BOX / RECYCLING PROGRAM (if applicable)
Section 1(m) of Schedule "1"
15. UTILITY CHARGES (if applicable)
Section 5 of Schedule "1"
16. VENDOR'S SOLICITOR'S LEGAL FEES RE: REMOVAL OF NOTICE FROM TITLE (if applicable)
Section 19 of Schedule "1"
17. REIMBURSEMENT RE: SUBDIVISION AESTHETIC ENHANCEMENT (if applicable)
Section 1(i) of Schedule "1"
18. LOOK-OUT BASEMENT, WALK-OUT BASEMENT OR REAR DECK COSTS (if applicable)
Section 3(d) of Schedule "1"
19. PURCHASER DEFAULT(S) (if applicable)
Section 1(g) of Schedule "1"
20. EXTRAS/UPGRADES (if applicable)
Section 3(g) of Schedule "1"
21. RENTAL EQUIPMENT BUYOUT (if applicable)
Section 4 of Schedule "1"
22. REIMBURSEMENT OF VENDOR'S COSTS FOR CORRECTION OF UNLAWFUL WORKS (if applicable)
Section 12(a) of Schedule "1"
23. INCREASE IN HST RATES (if applicable)
Section 17 of Schedule "1"