

**Amendment to the
Agreement of Purchase and Sale**

BETWEEN: _____

AND

**VENDOR: 555 Canal Bank Developments GP Inc. in its capacity as General Partner
for 555 Canal Bank Developments LP**

AGREEMENT DATE: _____

REFERENCE: LOT: _____ PHASE: _____ PLAN: _____

in the City of **Welland** _____

It is hereby understood and agreed between the Vendor and the Purchaser that the following change(s) shall be made to the above-mentioned Agreement of Purchase and Sale, as may be amended, and except for such change(s) noted below, all other terms and conditions of the Agreement shall remain the same and time shall continue to be of the essence:

Insert: The Vendor covenants and agrees with the Purchaser that the items/costs listed in paragraph 1) of Schedule “A” - Additional Terms, section (f) shall be capped at \$7,500.00, plus HST (as applicable).

Dated at _____ this ___ day of _____, 20__

Witness

Purchaser:

Witness

Purchaser:

**555 Canal Bank Developments LP by its
General Partner 555 Canal Bank
Developments GP Inc.**

Date

Authorized Signing Officer

Confirmation of Representation

Prior to signing the Agreement of Purchase and Sale, the Purchaser acknowledges that the Purchaser has been explained the relationship of each Real Estate Brokerage in this transaction.

The Sales Representatives acting on behalf of the Seller are Licensed Sales Representatives governed by the Real Estate and Business Brokers Act, 2002 and Associated Regulations (REBBA 2002 or Act), administered by the Real Estate Council of Ontario (RECO). All Ontario REALTORS® are registered under the act and governed by its provisions.

As per the requirements of the ACT, the Purchaser and Seller Acknowledge that the Listing Brokerage, TFN Realty Inc., Brokerage represents the interest of the Seller under a Client relationship and has a fiduciary duty to represent the interest of the client in this transaction and will be compensated by the Seller directly.

In the event that the **Purchaser is not being represented by a cooperating Brokerage, TFN Realty Inc., Brokerage is providing a Customer Service to the Buyer** which requires an obligation to treat every person involved in the real estate transaction with honesty, fairness, integrity and disclosure of material facts but unlike a client, provides a customer with a restricted level of service.

In the event that the **Purchaser is represented by a Cooperating Brokerage**, said Cooperating Brokerage represents the interest of the Purchaser in this transaction and is being compensated by the Seller directly in accordance with a separate Cooperating Brokerage Form.

Cooperating Brokerage (if Applicable) _____

Cooperating Sales Representative/Broker (if Applicable) _____

Consent to Multiple Representation (ONLY if the Brokerage, TFN Realty Inc., represents more than one client for the transaction). The Purchaser and Seller consent with their initials to the Brokerage Representing more than one client for this transaction.

Purchaser _____ Seller _____

Purchaser(s): _____

Seller: 555 CANAL BANK DEVELOPMENTS GP INC. in its capacity as General Partner for 555 CANAL BANK DEVELOPMENTS LP

Lot: _____ **Project/Phase:** _____

I acknowledge and accept these agency terms on this _____ day of _____, _____.

Print Name (Purchaser)

Signature of Purchaser

Print Name (Purchaser)
555 CANAL BANK DEVELOPMENTS LP by its General Partner 555 CANAL BANK DEVELOPMENTS GP INC.

Signature of Purchaser

Print Name (Seller)

Signature of Seller

PROJECT: _____

BUILDER DESIGNATED LOT ____/BLOCK ____ MODEL ____ ELEVATION, PHASE 2

AGREEMENT OF PURCHASE AND SALE

1. The undersigned, _____ (the "Purchaser"), hereby agrees with 555 CANAL BANK DEVELOPMENTS GP INC. in its capacity as General Partner for 555 CANAL BANK DEVELOPMENTS LP (the "Vendor") to purchase all and singular the lands and premises in the City of Welland (the "Municipality"), being Part of Part Lots 20 & 21, Concession 5 and Part Road Allowance between Lots 20 & 21, Con 5 Humberstone (expropriated by 37309B, registered 1965.12.06), Part Road Allowance between Lots 22 & 23, Con 5 (expropriated by Instrument No. 373098) Geographic Township of Humberstone, City of Welland, Regional Municipality of Niagara, being Lot No. ____/Block No. ____, Plan 59M-____, or, if applicable, a plan of subdivision/site plan or such part(s) thereof to be registered, as shown outlined on the plan attached hereto as Schedule "C" (the "Real Property") and on which has been or is to be constructed a dwelling house as hereinafter provided (the "Dwelling") at the purchase price of _____ DOLLARS (\$ _____) of lawful money of Canada (the "Purchase Price"), payable as follows:

- (a) by cheque with this offer in the amount of _____ DOLLARS (\$ _____) dated on or before _____,
- (b) by cheque with this offer and post-dated thirty (30) days following the day of execution of the offer by the Purchaser in the amount of _____ DOLLARS (\$ _____);
- (c) by cheque with this offer and post-dated sixty (60) days following the day of execution of the offer by the Purchaser in the amount of _____ DOLLARS (\$ _____); and
- (d) by cheque with this offer and post-dated ninety (90) days following the day of execution of the offer by the Purchaser in the amount of _____ DOLLARS (\$ _____);

to the Vendor as deposits (collectively, the "Deposit") and covenants, promises and agrees to pay the balance of the Purchase Price by certified cheque(s), bank draft(s) or wire transfer(s) drawn on a Canadian chartered bank to the Vendor on the Closing Date (as hereinafter defined), subject to the adjustments hereinafter set out.

2. This transaction of purchase and sale is to be completed on the First Tentative Closing Date (as defined in the Statement of Critical Dates being a part of the Tarion Addendum as hereinafter defined) or such extended or accelerated date established in accordance with the terms of this Agreement including, without limitation, the Tarion Addendum (the "Closing Date" or "Date of Closing").

3. The following Schedules of this Agreement, if attached hereto, shall form a part of this Agreement. If there is a form of Acknowledgement attached hereto same shall form part of this Agreement and shall be executed by the Purchaser and delivered to the Vendor on the Closing Date. The Purchaser acknowledges that he has read all Sections and Schedules of this Agreement and the form of Acknowledgement, if any:

- Schedule "A" - Additional Terms
- Schedule "B" - Standard Features
- Schedule "C" - Draft Plan of Subdivision/Site Plan
- Schedule "D" - Warning Clauses and Notice Provisions
- Schedule being Tarion Warranty Corporation Statement of Critical Dates and Addendum to Agreement of Purchase and Sale (collectively the "Tarion Addendum")
- Schedule "E" - Receipt Confirmation
- Schedules "A/C", "J", "PRPNC", "X", "Y" and "Y1"

4. The Purchaser's address for delivery of any notices pursuant to this Agreement is the address as set out in the Tarion Addendum.

DATED the ____ day of _____, _____.

SIGNED, SEALED AND DELIVERED)

in the presence of:)

)
)
)
)
)
)

Purchaser D.O.B.

Purchaser D.O.B.

The Vendor hereby accepts the within offer and agrees to complete this transaction in accordance with the terms hereof.

DATED, SIGNED, SEALED AND DELIVERED the ____ day of _____, _____.

Additional Information:

**555 CANAL BANK DEVELOPMENTS LP
by its General Partner
555 CANAL BANK DEVELOPMENTS GP INC.**

Purchaser's Solicitor:
Address:
Telephone:
Facsimile:

Per: _____

[Authorized Signing Officer]

I have authority to bind the Corporation

Vendor's Solicitors: DLA Piper (Canada) LLP
1 First Canadian Place, Suite 6000
P.O. Box 367, 100 King Street West
Toronto, Ontario M5X 1E2

Attention: Marcia Weber (Law Clerk)
Telephone No.: (416) 365.3508 Facsimile No. (416) 369.7909
Email: marcia.weber@dlapiper.com
Solicitor: Jeffrey M. Citron
Telephone No: (416) 862.3363 Facsimile No. (416) 369.7907
Email: jeffrey.citron@dlapiper.com

SCHEDULE "A"
ADDITIONAL TERMS

1. Balance Due On Closing and Adjustments

The balance due on the Closing Date after credit of the deposits that have cleared 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, all 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. The water meter/gas meter/electricity meter 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 or gas 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. The Vendor shall be entitled to register a Vendor's Lien against title to the Property to protect or recover all costs and expenses incurred or to be incurred in respect of the aforesaid damage and restoration costs;
- b) all 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;
- c) the transaction levy surcharge imposed upon the Vendor or its solicitors by the Law Society of Upper Canada plus Applicable Taxes shall be reimbursed to the Vendor on the Closing;
- d) the enrolment fee paid by the Vendor for the Property under the Ontario New Home Warranties Plan Act (the "Warranty Act") or Tarion or any subsequent legislation (eg. The Home Construction Regulatory Authority ("HCRA")). The HCRA regulatory oversight fees and the HCRA licensing fees (collectively the "HCRA Fees") paid by the Vendor, plus Applicable Taxes shall be reimbursed to the Vendor on the Closing;
- e) a \$350, 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) any increase after the date of execution of this Agreement by the Purchaser in any levy, payment, contribution, charge, fee or assessment, including without limitation, any parks levies, development charges, education development charges, cash in lieu of parkland dedication payments, public art contributions and/or impost charges (collectively, the "Existing Levy") required, assessed, charged or imposed as of that date 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, bylaw and/or policy and/or if any of the aforesaid authorities require, assess, charge or impose a new or any other levy, payment, contribution, charge, fee

or assessment (collectively referred to as the "New Levy") under the Development Charges Act, the Education Act, the Planning Act and any other existing or new legislation, bylaw and/or policy after the date of execution of this Agreement by the Purchaser then, the Purchaser shall pay to the Vendor the increase to the Existing Levy and/or amount of the New Levy, as the case may be, as an adjustment on the Closing Date plus Applicable Taxes exigible thereon;

- g) 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 against title to the Property. The Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a registrable release of the Vendor's Lien after receipt of 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 \$500 plus Applicable Taxes and have cleared;
- h) the Purchaser shall provide a refundable security deposit (the "Security Deposit"), in an amount to be determined by the Vendor, 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 (the "Shortfall") upon demand by the Vendor. Notwithstanding anything contained to the contrary, the Vendor shall have the right to register a Vendor's Lien for the Shortfall at any time on or before Closing. 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 and after the Vendor or Subdivider receives the return of all outstanding deposits, monies and letters of credit/letters of guarantee;
- i) 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 costs thereof for the Property, the costs to be absolutely determined and apportioned by the Vendor in its sole discretion;

- j) 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;
- k) 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;
- l) any charges incurred by Vendor for driveway paving as set out on the Tarion Addendum attached hereto;
- m) 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;
- n) 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 electricity, water and/or gas and/or the party(ies) monitoring consumption of such utility(ies) to the Property (the "Utility Provider"), on the Utility Provider's form, for the provision and/or metering of such utility(ies) to the Property. The fees, costs and charges (including, without limitation, any rental, security deposit, administration, commodity and non-commodity fees/charges) for such utility(ies) 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;
- o) an administration fee of up to \$1,500 plus HST (in addition to any legal fees not to exceed \$500 and HST thereon) at the Vendor's discretion with respect to any changes to the manner in which the Purchaser(s) will be taking title to the Property, other than as noted herein;
- p) any legal costs incurred by the Vendor or its solicitors as a result of Purchaser's default hereunder;
- q) an administrative/extension fee of up to \$5,000 plus HST or such terms of extension to be solely determined by the Vendor;
- r) any legal costs incurred by the Vendor or its solicitors as a direct or indirect result of the Purchaser's breach of any provision of this Agreement or default hereunder, including without limitation, all legal fees and costs incurred by the Vendor relating to the issuance of a default letter (\$500 plus HST), extension fees (\$500 plus HST), reinstatement fees (\$500 plus HST) and amendment or assignment fees or any other changes to the statement of adjustments or to the closing documents (\$500 plus HST);
- s) legal fees in the amount of \$500 plus HST incurred by the Vendor or its solicitors for resending the closing documents and statement of adjustments to another solicitor as a result of the Purchaser or its solicitor advising the Vendor or its solicitors that there has been a change of solicitor acting for the Purchaser at any time prior to Closing;
- t) any legal fees up to the sum of \$150 plus HST incurred by the Vendor or its solicitors for each discharge of each charge registered against title to the Property; and
- u) any legal fees of \$200 plus HST and the costs of preparation and delivering of the Closing documents using The Conveyancer or Unity software to be delivered via web based delivery.

2. Subdivision Matters

- a) The Vendor, the 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. Notwithstanding anything contained to the contrary, the Vendor shall have the right to register a Vendor's Lien against the Property on, before or after Closing in the amount estimated by the Vendor to cover the costs of any removal, rectification or remedial work to be performed by the Vendor or Subdivider;

- 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 receipt of notice of same and hereby 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 unit is constructed will not necessarily be divided equally but may instead be divided in unequal proportions. The Purchaser agrees to accept any such unequal division of such lot or block;
- 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 or Subdivider 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. In the event that any such Subdivision aesthetics, enhancements, boulevard treatments, landscaping entrance features, fencing or retaining walls (the "**Subdivision Enhancements**") are erected on the Purchaser's lot or block, then in such case, the Purchaser covenants and agrees to be responsible for the maintenance of such Subdivision Enhancements at its sole cost.

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 Schedules "Y" and "Y1" annexed hereto. The Dwelling shall be deemed to be completed for the purposes of Closing when the requirements of the Tarion 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 Tarion 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 Tarion 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 Tarion 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 complete 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, claim or set-off 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 or rear deck where so indicated in this Agreement, or vice versa. In the event this Agreement calls for a walk-out basement, look-out or rear deck 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 or rear deck 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 or rear deck, 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 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 electricity transformers, street light poles and hydrants will front onto or be located within certain lots (including the Property) within the Subdivision. The Purchaser agrees to accept the Property subject to any catch basins and associated leads, drainage systems, weeping pipe/sump pump systems, retaining walls, fencing, landscaping and other subdivision enhancement features, and that electricity transformers, street light poles and hydrants required pursuant to the municipally approved plans, and the Purchaser covenants and agrees to maintain all foregoing items in proper working order if such items are contained within 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 if the Purchaser performs any illegal 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 or set-off against 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, colour or texture variations 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. 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, and (iii) there may be different levels of flooring which may require transition strips, nosings or thresholds, and the Purchaser agrees that any of the foregoing 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, renderings 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 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/or the engineer's recommendations 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 thirty (30) 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 thirty (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 or any other type of attached housing product types (for example semi-detached, back to back and quads, etc.) 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 and the location of any utility meters within or on the blocks;
- k) Where any portion of any fence and/or retaining wall 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 subject to the Permitted Encroachment and to complete the sale contemplated herein, without abatement of the Purchase Price, claim or set-off. 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 provided such portion of the fence and/or retaining wall was installed by the Vendor or Subdivider. 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 at its expense 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 claim or set-off against the Purchase Price;
- n) The Purchaser acknowledges and agrees that drainage holes may be required, as determined and where required by the Vendor or Subdivider, 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/Subdivider 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/Subdivider. The Purchaser acknowledges and agrees that it shall only utilize the hot water heater/tank supplied by the Vendor/Subdivider within and upon the Property and the Purchaser is prohibited from installing or utilizing any other hot water heater/tank, without the Vendor's/Subdivider's prior written consent.

5. 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 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. On or before the PDI, the Vendor shall provide the Purchaser with a Homeowner Information Package that is available from the Tarion Warranty Corporation ("Tarion"). The Vendor will complete all matters set out in the said 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 that: a Homeowner Information Package is available from Tarion Warranty Corporation (including from the Tarion website); the Vendor has/will deliver to the undersigned a Homeowner Information Package as provided by Tarion Warranty Corporation on or before the date of the PDI; that the Vendor currently intends to provide such copy by way of email containing the Homeowner Information Package or a URL link to the Homeowner Information Package; and the Purchaser shall execute any confirmation or statements confirming receipt of the Homeowner Information Package 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).

6. 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 in escrow, 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 from escrow and paid 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 solicitors shall undertake to the Purchaser not to release such monies to the Vendor from escrow until the Vendor has delivered a conveyance to the Purchaser in accordance with the terms of this Agreement.

7. 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, eaves troughing, 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 sixty (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, with 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. Purchaser covenants and agrees to grant such private easements as may be required by the Municipality or any other governmental authority both before or after Closing notwithstanding that such easements may not be contemplated in this Agreement or reserved in the Transfer of the Property. In the event that the Purchaser is not prepared to grant such easements, then in such case the Purchaser appoints the Vendor/Subdivider as its lawful attorney and the Vendor/Subdivider shall have the legal right to execute and deliver such private easements to give effect to this provision. 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/Subdivider 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. The Purchaser agrees to accept title to the Property subject to any private easements, including without limitation, easements for rear yard lot catch basins. The Purchaser further agrees to execute and deliver such easements as may be required both before or after Closing;
- c) In the event that the Purchaser is unable or unwilling for any reason whatsoever to grant such easements or set-off in paragraph (b) above, then the Purchaser hereby appoints the Vendor/Subdivider as its lawful attorney for the purpose of executing and delivering all such easements and documentation to give effect hereto;
- d) 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;
- e) The Purchaser acknowledges that title may be conveyed directly from the Subdivider of the lands, and not the Vendor, and the Purchaser hereby releases the Subdivider 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 to this effect;
- f) 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;

- g) 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 sixty (60) days prior to the Closing. Should the Purchaser fail to provide this information and/or during such sixty (60) day period change solicitors, the Purchaser shall be charged a fee plus Applicable Taxes on the Statement of Adjustments, as determined by the Vendor and/or its solicitor. The Purchaser agrees to provide the Vendor's solicitor with a written direction as to whom title is to be conveyed no later than thirty (30) days prior to the Closing, failing which, the Vendor is hereby directed to convey title to the Purchaser(s) set forth and named in this Agreement. Prior to Closing, the Purchaser covenants not to register this Agreement or any other document on title to the Property and in the event that the Purchaser does register this Agreement or any other document on title to the Property then in such case the Purchaser appoints the Vendor/Subdivider as its legal attorney and grants the Vendor/Subdivider the necessary power to execute such documentation to remove the aforesaid Agreement or document from the title to the Property;
- h) 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 as this Agreement shall be read with all amendments required thereby;
- i) 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, provided that the Vendor or the Property, as the case may be, is in compliance thereof.

8. 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.

9. 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 five (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;

Notwithstanding anything contained to the contrary, Vendor/Subdivider shall be entitled to register a Vendor's Lien against the Property to cover all costs and expenses incurred or to be incurred by Vendor/Subdivider in respect of any removal, rectification, work to be performed pursuant to paragraphs (a) - (c) above;

- d) The Purchaser covenants to occupy the Dwelling forthwith after the Closing Date. The Purchaser agrees not to finish the whole or any party of the basement of the Dwelling for a period of twenty-four (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 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 Purchaser will grant an easement for the installation and maintenance of sewers, water mains, lines or any other similar installations.

10. Breach of Contract

- a) The Purchaser shall be deemed to be in default under this Agreement in each and every one of the following events, namely:
- i. upon the non-payment of all or any portion of the Purchase Price, or any other amount due hereunder;
 - ii. upon a breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser; and
 - iii. upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Real Property;
- b) A certificate of the Vendor, an officer of the Vendor or a certificate signed by the solicitors for the Vendor confirming that a default has been made and the date of default and that notice, if required, of such default has been given to the Purchaser, shall be conclusive evidence of the facts therein stated. If such default continues for five (5) days after written notice thereof has been given to the Purchaser or the Purchaser's solicitor, by the Vendor or its solicitors, then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the rights and remedies as set out below;
- c) In the event of a default by the Purchaser, then, in addition to any other rights or remedies which the Vendor may have, the Vendor, at its sole option, shall have the right to terminate this Agreement and preserve any rights the Vendor may have against the Purchaser and in such event, all monies paid hereunder (including the deposit monies paid or agreed to be paid by the Purchaser pursuant to this Agreement which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon and monies paid or payable for extras or upgrades or changes ordered by the Purchaser, whether or not installed in the Dwelling, shall be forfeited to the Vendor. The Purchaser agrees that the forfeiture of the aforesaid monies shall not be a penalty and it shall not be necessary for the Vendor to prove it suffered any damages in order for the Vendor to be able to retain the aforesaid monies. The Vendor shall in such event still be entitled to claim damages from the Purchaser in addition to any monies forfeited to the Vendor. In the event the Vendor's solicitors are holding any of the deposit monies in trust pursuant to this Agreement, then in the event of a default, the Vendor's solicitors shall pay to the Vendor the said deposit monies together with any interest accrued thereon, provided the Vendor has delivered to its solicitors a certificate of the Vendor or an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the said deposit monies and accrued interest, if any. Thereupon the Purchaser hereby releases the Vendor's solicitors from any obligation to hold the said deposit monies, if any, and interest, if any, in trust, and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies, if any, and accrued interest, if any, to the Vendor;
- d) It is understood and agreed that the rights contained in this Section on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment of any amount as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to eight per cent (8%) above the prime rate of the Vendor's bank, calculated from the due date to the date of payment. Prime rate for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which the Vendor's bank establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time. In the event of any other default under this Agreement by the Purchaser the Vendor shall have the right, at its sole option, but not the obligation, to take whatever steps are necessary to correct and/or remedy such default and the Purchaser shall pay forthwith to the Vendor upon demand the costs and expenses of the Vendor in doing so plus a fifteen percent (15%) administration fee. In the event the Purchaser fails to pay any of the foregoing amounts to the Vendor after demand the Vendor shall have the right, at its option, to add any of such outstanding amounts to the Purchase Price as an adjustment on the Closing Date;

- e) The Purchaser represents to the Vendor upon which representation the Vendor has relied in accepting the Purchaser's offer that he is purchasing the property for his 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 list the Property for sale, or advise others that the Property is or may be available for sale, offer for sale or sell, the Property or to enter into any agreement, conditional or otherwise, to sell the Property, or any interest therein, nor to assign this Agreement or any interest herein, or the benefit thereof, nor to mortgage, deal with or in any way encumber the premises. 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.

11. 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. 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 enter upon the Property prior to the 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 within fourteen (14) days of the acceptance of this Agreement.

12. Contract

The deposit monies are expressly deemed to be deposit monies only, and not partial payments. Default in payment of any amounts 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 (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.

13. Colour and Material Selection

- a) Wherever in this Agreement the Purchaser has the right to choose colours or materials, Purchaser shall do so within seven (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 sales office 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;
- b) If the Purchaser has made a choice of colours and/or materials from the Vendor's samples 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;
- c) 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;
- d) If the Purchaser has not made his selection within ten (10) 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 based upon the Vendor's/Subdivider's standard builder features for and on behalf of the Purchaser and the Purchaser agrees to accept same;
- e) Where omissions occur on the original colour selection sheet, the Purchaser acknowledges that selection by the Vendor from the Vendor's/Subdivider's standard builder features will be final and binding;
- f) Upgrades listed on a standard colour chart and exterior colour selections will not be deemed to be part of the Agreement;
- g) 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;
- h) 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;
- i) If any of the terms and conditions stated on the Purchaser's Request for Extras Contract (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 Tarion Addendum and Statement of Critical Dates annexed hereto, in which case the provisions of the Tarion 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 Tarion 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 Tarion Addendum and Statement of Critical Dates annexed hereto.

14. 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, sales and marketing purposes only and such items are 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, curtains, plumbing supplies, intercom systems, alarm systems, appliances, landscaping, underground sprinkler systems, underground lighting, decks and finished basements (collectively the "Decor Items"). The Purchaser acknowledges and agrees that the Decor Items will not be included in the Purchase Price and that Agreement will consist of only those items listed on Schedule "B" annexed hereto;
- b) Notwithstanding anything herein written, if at the time that this Agreement is executed, the dwelling constructed on the Real Property has already been substantially completed, the Purchaser shall purchase the Real 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.

15. HST

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 all of its 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, 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 the Rebate is claimed and payment/credit of the Rebate to the Vendor is denied by the Government then, the Purchaser shall forthwith upon demand by the Vendor pay to the Vendor 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 Property which charge shall be recoverable by the Vendor in the same manner as a mortgage in default. If 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 harmless in the amount that 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 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 the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor), 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 Property following the Closing Date to secure the Vendor's entitlement 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 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 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), as an adjustment on the Closing, 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 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, the Vendor (or any party or parties comprising the Vendor, if applicable) or any other party as may be designated by the Vendor may be a party to such of the HST documentation as may be required by the Vendor under this Agreement, and the Purchaser acknowledges and agrees to assign the Rebate to the Vendor, Subdivider or such party designated by the Vendor.

16. Agreement Conditional

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

17. 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 to the Property 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.

18. 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.

19. 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 Tarion 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 the option, in its sole, absolute and unfettered discretion, to extend the Firm Closing Date or Delayed Closing Date (as set out in the Tarion Addendum and Statement of Critical Dates hereof), as the case may be, for one business day to avoid the necessity of tender where the Purchaser is not ready to complete the transaction on either of such dates;
- d) 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 Tarion Addendum and Statement of Critical Dates appended hereto), as the case may be, for 1 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.

20. 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.

21. 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.

22. Subordination and Assignment of Agreement

The Purchaser agrees that this Agreement shall be fully 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 without delay 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 (eg. 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.

23. 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, subject to any conditions herein, without requiring notice of such acceptance to be delivered to the Purchaser prior to such time. Without limiting the generality of the foregoing, execution and acceptance of this offer (or any counter offer with respect thereto) may be made by way of electronic signature and delivered by telefax transmission, pdf electronic mail or similar electronic transmission, and such offer and/or acceptance shall be deemed to have been effected or made when such signed Agreement (electronic or otherwise) 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.

24. Time of the Essence

Time shall in all respects be strictly of the essence in 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.

25. 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 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.

26. 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.

27. Notice

- a) Save and except for any notices to be provided pursuant to the Tarion 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 Tarion Addendum and Statement of Critical Dates, or telefaxed to the Purchaser's solicitor or the Purchaser's telefax number as provided in the Tarion Addendum and Statement of Critical Dates, or electronically mailed to either the Purchaser at the address contained in the Tarion 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 Tarion 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 Tarion 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 Tarion 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 plus Applicable Taxes on the Statement of Adjustments;
- e) 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.

28. Contract Under Seal

The Purchaser acknowledges and agrees that notwithstanding any rights which the Purchaser might have at law or in equity arising of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action as a result of any matter or thing arising under or in connection with this Agreement against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be found to be a nominee, agent or representative or another person, firm, corporation or other legal entity, and this acknowledgement and agreement may be pleaded as estoppel and bar against the Purchaser in any action or proceeding brought by the Purchaser to assert any of such rights, claims or causes of action. Furthermore, the Purchaser and the Vendor acknowledge and agree that this Agreement shall be deemed to be a contract under seal. IN ADDITION, THE PURCHASER ACKNOWLEDGES AND AGREES THAT THE OFFER TO ENTER INTO THIS AGREEMENT CONSTITUTES AN OFFER "UNDER SEAL" AND, AS SUCH, IS IRREVOCABLE IN ACCORDANCE WITH ITS TERMS.

29. 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.

30. 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.

31. 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/Subdivider 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.

32. 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/Subdivider 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/Subdivider and/or its solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor/Subdivider 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/Subdivider 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/Subdivider 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/Subdivider 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.

33. Electronic Registration

If the electronic registration system (hereinafter referred to as the "Electronic Registration 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, 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.

34. 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.

35. 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 all of the covenants, obligations and agreements of the Purchaser herein shall be deemed and construed to be the joint and several covenants, obligations and agreements of all the individuals, partnerships and companies comprising the Purchaser.

36. 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.

37. Personal Information

The Purchaser(s) consents to the Vendor collecting and possessing the Purchaser's name and "person 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 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.

38. 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.

39. 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.

40. Prohibition on Assignment/ Directing Title

Notwithstanding anything contained herein to the contrary, Purchaser shall be prohibited from assigning his/her interest in this Agreement or this Agreement without Vendor's prior written consent, such consent may be unreasonably withheld. Purchaser shall also be prohibited from directing title to any other individuals or entity other than the individuals or entity as named herein as purchasers.

41. 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.

42. Irrevocable

This Offer is irrevocable by the Purchaser until one minute before midnight on the date which is ten (10) days following execution of this Agreement by the Purchaser, failing which 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.

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

Schedule A/C**Project/Phase:** _____**Lot:** _____

The Purchaser acknowledges that the grade premium paid for a Stoop or a WOD or a WOB includes the following feature applicable to the condition:

Stoop Deck Condition: *Occurs when 4 to 6 risers are required from the rear yard grade to the finished floor adjacent to the rear of the home.*

- A pressure treated wood deck with handrail, pickets and one set of stairs to grade. The deck size shall be as follows: a) approximately 8 ft x 4 ft deck for a 5 ft or 6 ft wide exterior main floor patio door, b) approximately 10 ft x 4 ft deck for an 8 ft wide exterior main floor patio door. The Vendor has the discretion to adjust deck sizing based on site conditions. Two concrete patio slabs shall be laid at the base of the wood deck stairs.
- The standard basement window size will apply. Due to varying site conditions, the exact width and location of these windows shall be as per the Vendor's discretion.

Walk-Out Deck Condition (WOD): *Occurs when 7 to 13 risers from the rear yard grade to the finished floor adjacent to the rear of the home. Not applicable to homes that have rear decks as standard conditions (ie. 30-32, 34-13, 34-24, 36-21, 36-H33, 42-13, 42-21)*

- The exterior finish of the house on the rear wall will be extended down to a maximum of 24" above the finish grade and to a minimum of 12" above grade. The remainder of the back wall to be exposed concrete.
- A pressure treated wood deck with handrail, pickets and one set of stairs to grade. The deck size shall be as follows: a) approximately 8 ft x 6 ft deck for a 5 ft or 6 ft wide exterior main floor patio door or single door, b) approximately 10 ft x 6 ft deck for an 8 ft wide exterior main floor patio door. The Vendor has the discretion to adjust deck sizing based on site conditions. Two concrete patio slabs shall be laid at the base of the wood deck stairs.
- The standard basement window(s) on the rear wall of the house shall be re-sized to an approximate 48" x 24" sliding basement window size. Due to varying site conditions, the exact width and location of these windows shall be as per the Vendor's discretion.

Walk-Out Basement Condition (WOB): *Occurs when the basement slab is a minimum 6" above the rear grade at the basement patio door or basement single door location (as per the standard plan)*

- The exterior finish of the house on the rear wall will be extended down to a maximum of 24" above the finish grade and to a minimum of 12" above grade. The remainder of the back wall to be exposed concrete.
- A pressure treated wood deck with handrail and pickets (stairs to grade not included). The deck size shall be as follows: a) approximately 8 ft by 8 ft for a 5 ft or 6 ft wide exterior main floor patio door or single door, b) approximately 10 ft by 8 ft for a 8 ft wide exterior main floor patio door. The Vendor has the discretion to adjust deck sizing based on site conditions. Six concrete patio slabs shall be laid at the exterior patio door location (at grade level) beneath the wood deck.
- The standard basement window(s) on the rear wall of the house shall be re-sized to an approximate 48" x 48" casement basement window size for the rear wall locations only. Due to varying site conditions, the exact width and location of these windows shall be as per the Vendor's discretion.

In all 3 cases - If the standard plan on the rear of the home contains more than one door at the main floor level, the rear deck may be extended to include both doors or a secondary pressure treated wood deck with handrail and pickets having a size of 4 ft x 4 ft. will be installed. Due to varying site conditions, the exact width and location of the rear deck shall be as per the Vendor' discretion.

Date: _____

Purchaser Initials: _____

SCHEDULE “B”
FEATURES & FINISHES
CANALS PHASE 2

EXTERIOR FINISHES:

1. EMPIRE’S Canals is a new home community inspired by the sense of neighbourhood. House sitings and exterior colours will be architecturally controlled.
2. Exterior elevations which include HORIZONTAL VINYL CLADDING, CLAY BRICK, STONE and/or VINYL BOARD & BATTEN VERTICAL SIDING with ornamental trim details and shutters as per elevations.
3. Prefinished siding, soffits, fascia, eavestroughs, and downspouts, as per elevation.
4. Self-sealing roof shingles with a 25 year manufacturer’s limited warranty from Vendor’s predetermined colour samples.
5. Front coach lights, as per elevation (style may vary).
6. Fully sodded front and rear yards where applicable. Beneath decks (where applicable) may be graveled at Vendor’s sole discretion. Lots to be graded to the requirements of the authority having jurisdiction.
7. Pre-cast concrete slab walkway to front porch and with rear patio step where applicable.
8. Sectional garage overhead doors as per elevation.
9. Weiser front door Satin Nickel finish grip set, dead bolt and key lock.
10. Address plaque, location to be determined by Vendor.
11. Foundation drainage system which includes; damp proofing spray, drainage membrane and drain tile.
12. Poured concrete garage floor with reinforced grade beams.
13. Two exterior hose bibs (taps), one at rear elevation and one in garage – location to be determined by Vendor.
14. Garage man door included if shown on applicable plan and if grade permits.
15. All vinyl casement windows, or fixed windows throughout (excluding basement sliding windows) as per applicable elevation. Window exterior colour to be white or coloured (excluding white basement windows) as per colour package.

INTERIOR KITCHEN FEATURES:

1. Double compartment stainless steel ledge back surface mounted sink with Moen single lever faucet.
2. Choice of white or black kitchen exhaust stove fan vented to the exterior.
3. Cabinet opening provided for future dishwasher which includes rough-in plumbing and electrical for future hook-up, as per applicable plan. Installation and hook-up of dishwasher are not included.
4. Heavy-duty (220 Volt) electrical receptacle for stove.
5. Dedicated (110 Volt) electrical outlet for refrigerator.
6. Purchaser’s choice of cabinets and laminate countertop, from Vendor’s included samples.
7. Island and/or flush breakfast bar as per applicable plan.
8. Electrical outlets at counter level for small appliances.

BATHROOM FEATURES:

1. Purchaser’s choice of vanities with laminate countertops in all bathrooms excluding powder room, from Vendor’s included samples.
2. White pedestal sink in Powder Room.
3. White bathroom fixtures provided.
4. Mirrors provided in all bathrooms with wall mounted light fixture(s).
5. Exhaust fans provided in all bathrooms.
6. Single lever Moen faucets provided for all pedestal or vanity sinks as per plan.
7. Pressure balance valves to all shower stalls and tub/showers as per plan to prevent scalding.
8. Interconnected G.F.I. outlet provided at pedestal or vanity counter level.
9. Choice of ceramic wall tile for bathtub enclosures and shower stalls, from Vendor’s included samples. Tiles included for ceilings on shower stalls only. Ceramic tile to oval/corner tub skirts, deck and surround as per plan and from Vendor’s included samples.
10. All pedestal sinks, vanity sinks, toilets and kitchen sink to have separate shut off valves.
11. Square or rectangular one piece white seamless acrylic shower stall base provided as per plan.
12. Privacy locks on all bathroom doors.

LAUNDRY FEATURES:

1. Single laundry tub with faucet as per plan.
2. Hot and cold water supply provided with a separate drain for clothes washing appliance, as per plan.
3. Heavy-duty (220 volt) electrical outlet for clothes dryer and a dedicated (110 volt) electrical outlet for washer.

INTERIOR FEATURES:

1. 9’ ceilings on main floor.
2. Interior doors with satin nickel finish hinges and lever style hardware in finished areas as per plan.
3. Contemporary style trim throughout from Vendor’s included samples.
4. White hardboard sliding closet doors as per plan.
5. Framed mirrored sliding front entrance closet doors with trimmed openings as per plan.
6. Flat archways on main floor to be trimmed as per applicable plan.
7. Natural finished oak handrail and pickets on all finished areas stairs in a natural finish from Vendor’s included samples. Main floor staircase to be solid oak treads with oak veneered risers and stringers in a natural finish.

FLOORING FEATURES:

1. Ceramic flooring in entrance, kitchen, breakfast area, laundry room and all bathrooms from Vendor’s included samples as per applicable plans.
2. Engineered natural hardwood flooring on main floor to areas that are not tiled. Choice of hardwood is from Vendor’s included samples and as per applicable plan.
3. Choice of one colour of broadloom with foam under pad throughout carpeted areas, from Vendor’s included samples.
4. Tongue and groove subfloor, nailed, glued, and screwed, throughout except basement on engineered floor joist system as applicable.

PAINTING FEATURES:

1. Washable latex paint for all interior walls throughout finished areas.
2. All interior doors and trim to be painted white.
3. Knock-down ceiling finish to all living areas including walk in closets, excluding bathrooms, laundry rooms and kitchens which are to receive smooth ceilings.

ELECTRIAL FEATURES:

1. Lighting package in nickel finish in all hallways, kitchen and bedrooms.
 - Dining room to receive a switched capped outlet in ceiling.
 - Great Room, Living Room, Family, Parlor or Gathering Rooms to receive a switched receptacle.
 - Walk in closet(s) and Laundry to receive a globe style ceiling light fixture.
 - Bathrooms to receive wall mounted strip light fixture above vanity mirror.
2. Electric door chimes at front entry door.
3. Smoke detectors and carbon monoxide detectors installed as per code.
4. Two exterior weatherproof electrical G.F.I outlet at front porch and rear of home plus one holiday soffit outlet switched from the interior at front of home.
5. Three wired telephone locations (Purchaser’s choice) completed with cover plate, all home run to electrical panel.
6. Cable TV wiring for family room or gathering area and Bedroom 1 completed with cover plate, all home run to electrical panel.
7. 100-amp circuit breaker panel with copper wiring throughout.
8. Decora style switches and receptacles throughout.
9. Electrical outlet(s) in all bathroom(s) and powder room include ground fault interrupter.
10. One electrical outlet in garage for each parking space. One ceiling outlet in garage for each garage door for future garage door opener.
11. Tamper resistant receptacles installed where required.

INSULATION & HVAC FEATURES:

1. Forced-air gas furnace with electronic ignition, power vented to exterior. Ductwork sized to accommodate ventilation system requirements.
2. Purchaser covenants and agrees to automatically assume and be bound by any rental agreement or other agreement with Vendor’s supplier for a Hot Water Appliance.
3. Insulation to exterior walls R27, attic space R60, full height R12 on basement walls (to within 6” of basement floor).
4. Spray foam insulation in garage ceiling below livable space in addition to cantilevered areas with living space above. (R31).
5. Exposed main basement ductwork to be sealed with foil tape or mastic sealant.
6. High efficiency gas fired heating system.
7. Energy efficient hot water heating appliance is a rental unit. Purchaser to execute agreement with vendor.
8. Energy Recovery Ventilator (ERV) installed and interlocked with furnace. (Simplified system)
9. LED lighting in all standard interior light fixtures, excluding fixtures on dimmer switches, optional pot lights, all walk-in closets and finished laundry rooms as per plan.
10. Energy Star qualified exhaust fans in all bathrooms including powder room (where applicable).
11. All windows installed with expandable foam to minimize air leakage. (excluding basement windows)

SMART FEATURES:

1. One conduit from the basement into the garage terminating at a square electrical box with a blank cover will be included for installation of future electric car charger.
2. Energy Star certified ecobee4 Smart Thermostat with Built-in Amazon Alexa Voice Services.
3. Smart Home Ready rough in with hidden power outlet for future Wi-Fi mesh networks and video doorbell capability.
4. One “Stop & Drop” USB charger for smartphones and tablets located in a predetermined location.

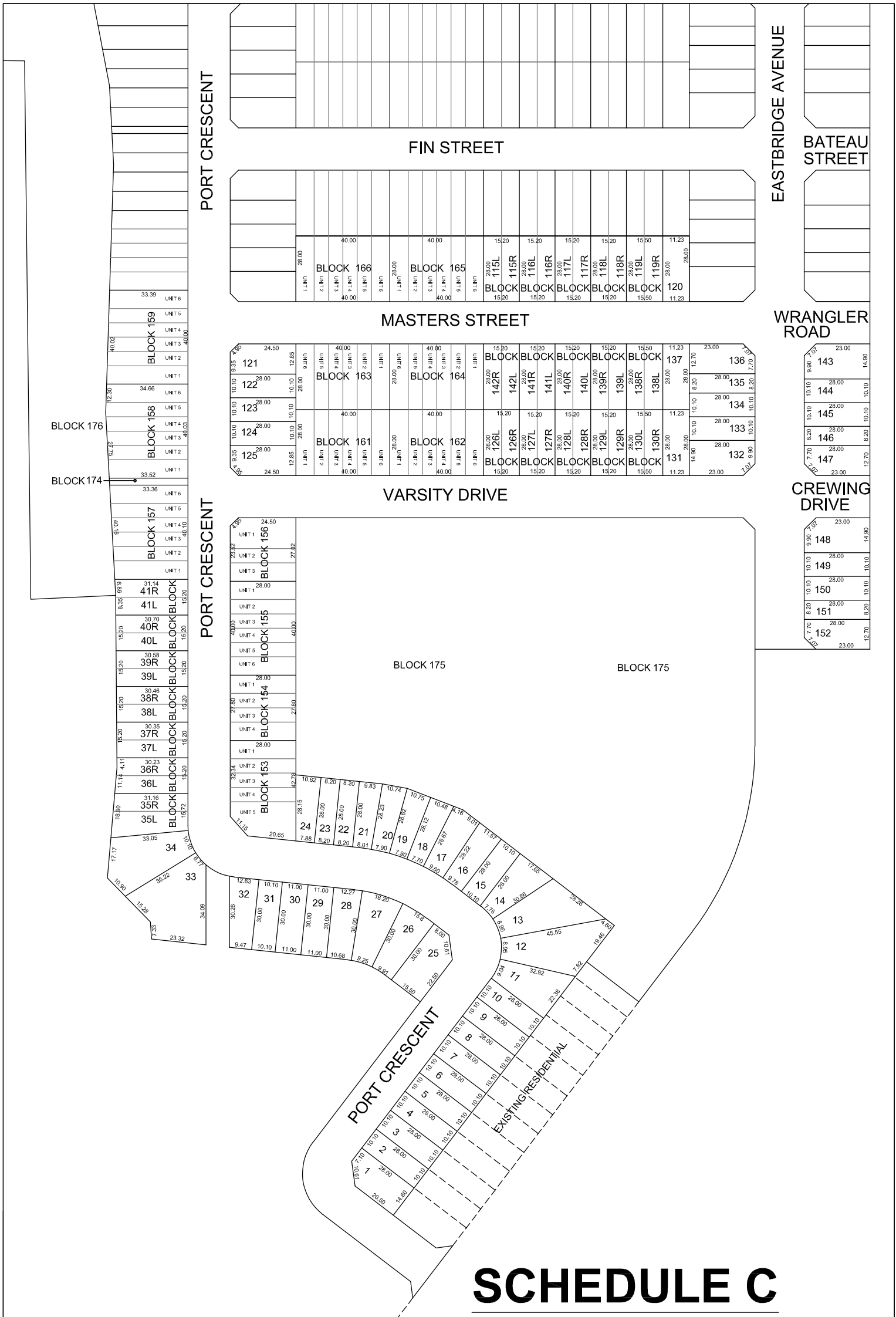
GENERAL:

1. All interior selections will be made from Vendor’s included samples during private appointment with the Vendor’s interior design consultant, at Empire’s Design Centre.
2. Purchaser acknowledges that home may be sited on lot in mirror image / reverse siting, than that which is shown on display materials and renderings.
3. Front porches may incorporate recessed steps where grade requires.
4. Number of steps at the front porch may vary due to grade conditions.

Project/Phase: _____ Lot: _____ Block: _____ Unit: _____

Purchaser Acknowledgement: Purchaser shall have the right to select floor coverings, cabinets and countertops, bathroom fixtures and purchase upgrades from the Vendor’s samples subject to availability and provided that the same have not already been ordered for this house. Variations from Vendor’s samples may occur in exterior and interior finishing materials due to the normal production process. The purchaser is advised that the laundry room may be lowered to accommodate side yard drainage, in some cases, door(s) from laundry room or garage will be eliminated at Vendor’s discretion. Steps where applicable, may vary at any exterior or interior entranceway due to grading variance. Corner lots and priority lots may have special treatments which require window changes and minor interior modifications to balance and improve the elevations of the house exposed to the street. The Purchaser accepts these changes as necessary. When selecting a house already under construction, the purchaser acknowledges that there may be minor deviations from the floor plan, elevation or layout of this model and the Purchaser agrees to accept such changes as constructed. The floor plan shall be that plan illustrated in the Vendor’s latest sales brochure for the model type selected. The purchaser acknowledges that artist’s renderings are for display purposes and may not be representative of construction details. Model homes have been decorated for public display purposes and may contain certain features, upgrade finishes and services which may not be included in the basic model type. The Purchaser acknowledges that there will be a variance in floor levels as a result of different finishing materials. Most additional features on display in the model homes are available as extras. Front elevations are modified when alternative floor plans are selected. Due to siting, grading and paving conditions, roof lines may vary due to structural roof framing conditions, and may not be exactly as shown. The purchaser accepts that all lots have Architectural Control applied to them and exterior architectural features may be added or altered at the Vendor’s discretion to comply with Architectural Control Guidelines. Empire reserves the right to use visual representations of your home, taken both during construction and after occupancy, for the purposes of Public and Advertising and I/we hereby consent to the same. Hardwood flooring may react to normal fluctuating humidity levels producing gapping or cupping, both considered to be within acceptable industry standards. Ceilings and walls may be modified to accommodate plumbing and mechanical systems and purchaser acknowledges that ceiling heights are approximate and may vary. Exterior renderings of elevations are an artist’s representation and do not represent actual builder’s colour scheme packages. Specifications and terms subject to change E. & O.E

Please see Sales Associate for full details.



SCHEDULE C CANALS PHASE 2



LOT SIZES AND DIMENSIONS
ARE SUBJECT TO FINAL
MPLAN APPROVAL /
REGISTRATION. SIZES AND
DIMENSIONS ARE CURRENTLY
BASED ON A DRAFT MPLAN

LAND, LOT SIZES AND SPECIFICATIONS ARE SUBJECT TO CHANGE WITHOUT NOTICE. E. & O.E.

SCHEDULE "D"

WARNING CLAUSES AND NOTICE PROVISIONS

1.

- (a) The Purchaser acknowledges that it is anticipated by the Vendor that in connection with the Vendor's application to the appropriate governmental authorities for draft plan of subdivision approval certain requirements may be imposed upon the Vendor by various governmental authorities. These requirements (the "**Requirements**") usually relate to warning provisions to be given to Purchasers in connection with environmental or other concerns (such as warnings relating to noise levels, the proximity of the Real Property or Subdivision to major street, garbage storage and pickup, school transportation, and similar matters). Accordingly, the Purchaser covenants and agrees that on the Closing Date, the Purchaser shall execute any and all documents required by the Vendor acknowledging, inter alia, that the Purchaser is aware of the Requirements.
- (b) The Vendor states that as of the date of execution of this Agreement of Purchase and Sale, the lot/block has or will have, as the case may be, a community mailbox or super mailbox abutting or fronting on it, and if this is not known as of the date hereof, upon the Vendor being notified of same by Canada Post Corporation the Vendor shall at its own expense, notify in writing to the Purchaser of this fact.
- (c) Purchaser acknowledges and agrees that it may have a community mailbox or super mailbox abutting or fronting on it or if this is not known, upon being so informed by the Canada Post Corporation, the Purchaser shall at its own expense, notify future purchasers in writing of this fact.
- (d) The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance will not cover any betterments or improvements made to the Dwelling, nor any furnishings or personal belongings of the Purchaser or other residents of the Dwelling, and accordingly the Purchaser should arrange for his or her own insurance coverage with respect to same, effective from and after the Closing Date, all at the Purchaser's sole cost and expense.
- (e) It is further acknowledged that one or more of the Development Agreements may require the Vendor to provide the Purchaser with certain notices, including without limitation, notices regarding such matters as land use, the maintenance of retaining walls, landscaping features and/or fencing, noise abatement features, garbage storage and pick-up, school transportation, and noise/vibration levels from adjacent roadways and/or nearby railway lines. The Purchaser agrees to be bound by the contents of any such notice(s), whether given to the Purchaser at the time that this Agreement has been entered into, or at any time thereafter up to the Closing Date, and the Purchaser further covenants and agrees to execute, forthwith upon the Vendor's request, an express acknowledgment confirming the Purchaser's receipt of such notice(s) in accordance with (and in full compliance of) such provisions of the Development Agreement(s), if and when required to do so by the Vendor.
- (f) The Purchaser acknowledges and agrees that the Vendor (and any of its authorized agents, representatives and/or contractors), as well as one or more authorized representatives of the Vendor, shall be permitted to enter the Dwelling after the Closing Date, from time to time, in order to enable the Vendor to correct outstanding deficiencies or incomplete work for which the Vendor is responsible, and to enable the Vendor to inspect the condition or state of repair of the Dwelling and undertake or complete any requisite repairs thereto (which the Purchaser of the Dwelling has failed to do).
- (g) The Purchaser acknowledges and agrees that he or she is absolutely prohibited from altering the grading and/or drainage patterns established by the Vendor in respect of the Real Property, and subject to the requirements of the City, without the Vendor's prior written consent, shall not place any fence, shrub, bush, hedge or other landscaping treatment on any portion of the Real Property.
- (h) The Purchaser acknowledges that all exterior colour selections are architecturally controlled for the purpose of providing a pleasing streetscape.
- (i) The Purchaser acknowledges that no exterior colour selection can be guaranteed to the Purchaser.
- (j) The Purchaser acknowledges that while some exterior colour packages may indicate the possible inclusion of a different brick accent colour, this feature will only be assigned to a small percentage of houses in the Development as selected by architectural control and accordingly the assignment of a particular exterior colour package will not necessarily include a different brick accent colour.
- (k) The Purchaser acknowledges that the exterior colour package will include several elements and that no substituted colours within a particular package are possible. The following elements, but not without limitation, are included in the exterior colour package: Main Brick, Accent Brick (where applicable), Stone (where applicable), Roof Shingle, Soffit, Fascia & Downspouts, Vinyl Siding (where applicable), Paint for Front Doors and Garage Doors, Garage Trim, Crezone Panels (where applicable), Window Trim, Posts and Pickets (where applicable), Louvers (where applicable) and other accent trims (where applicable), etc.

- (l) The Purchaser acknowledges and accepts that all lots have architectural control applied to them and exterior architectural features may be added or altered at the Vendor's sole discretion to comply with architectural guidelines. The Vendor reserves the right to use visual representations of the Dwelling, taken both during construction and after occupancy, for the purposes of public relations and advertising and the Purchaser hereby consents to the same.
- (m) The Purchaser of the above noted lot does hereby acknowledge having been advised that no changes what so ever will be permitted with respect to the Lot, Model Type, Exterior Elevation, Floor Plan, Exterior Colour schedule or terms of this Agreement once this offer has been processed as firm. This restriction does not apply to requests for minor (non structural) interior design revisions which would normally be allowed at the Décor Center.
- (n) The Purchaser acknowledges that if construction has commenced on the Dwelling that construction will continue to proceed. No modification or upgrades affecting the construction progress of the Dwelling will be allowed.
- (o) The Purchaser agrees to accept all exterior and interior selections that have already been made if the Dwelling is under construction.
- (p) Architectural Controls may require for one or more special provisions for specific lot conditions as indicated on the front page of the offer and identified below with the appropriate charge which has been added to the purchase price where applicable.
- (q) The Occupational Health and Safety Act requires that all visitors to a Dwelling under construction, even during the finishing stages, MUST be equipped with Hard Hats AND Safety boots AND provide proof of current coverage with the Workmen's Compensation Board OR Long Term Disability Insurance that will satisfy the Board and Purchaser acknowledges and agrees not to enter upon the Real Property and/or the Dwelling prior to the Closing Date.
- (r) Purchaser acknowledges that title may be conveyed directly from the Subdivider of the lands, and not the Vendor herein, and the Purchaser hereby releases the Subdivider from all obligations, liabilities and responsibilities whatsoever arising out of or associated with the construction of the dwelling unit and installation of all other improvements within the lot boundaries, and the Purchaser agrees to execute and deliver on the Closing Date a separate acknowledgement and release in favour of the Subdivider to this effect.
- (s) The transfer/deed to be tendered on the completion of the sale shall be prepared by and at the expense of the Vendor and may contain any or all of the provisions of this Agreement, and if required to do so by the Vendor, the Purchaser shall execute and deliver a covenant incorporating any or all of the aforementioned terms. The parties hereby waive personal tender, and agree that tender of any documents or money may be made either upon them or upon their respective solicitors and money may be tendered by certified cheque drawn on any Canadian chartered bank or trust company. In the absence of any other mutually acceptable arrangement, tender shall be validly made by the Vendor upon the Purchaser in accordance with the terms contained herein. The Purchaser hereby acknowledges and agrees that the key(s) to the Real Property shall be released to him directly from the sales office or the construction site as soon as this transaction has been completed and all relevant documents have been exchanged and/or registered (as the case may be) in accordance with the terms contained herein. It is further provided that, notwithstanding the foregoing, in the event that the Purchaser or his solicitor indicates or expresses to the Vendor or its solicitor, on or before the date for completion of the sale, that the Purchaser is unable or unwilling to complete the sale, then the Vendor shall be relieved of any obligation to make any formal tender upon the Purchaser or his solicitor.
- (t) Provided that in the event the Vendor is unable to deliver to the Purchaser on or before the Closing Date a conveyance of the Real Property free and clear of all mortgages (except as assumed herein), charges, liens and encumbrances, save as may be provided for in the Agreement, for any reason whatsoever, then the Vendor at its option, may require the Purchaser to pay to the Vendor the balance due on the Closing Date which shall be deposited with the Vendor's solicitor in trust, or in a special trust account established by the Vendor with a chartered bank or trust company, and shall take possession of the Real Property and the Vendor's undertaking to deliver a conveyance in accordance with the provisions of this Agreement within such period of time as the Vendor may require. From and after the date of possession, the Purchaser shall be responsible for the realty taxes, water, hydro, gas and other public or private utilities until such time as the Vendor delivers a conveyance to the Purchaser. The parties further agree that upon the Vendor delivering to the Purchaser a conveyance in accordance with the terms of this Agreement, any further adjustments that may be required shall be made at the time of the delivery of the conveyance.
- (u) The Vendor agrees that the sale price herein provided may include the installation of an insulated door between the garage and the laundry room of the Dwelling and/or insulated door between the laundry room and Dwelling exterior. The Vendor hereby advises the Purchaser that if such installation involves more than one or two steps in the garage or the Dwelling exterior, due to the difference in the grade level, such steps may interfere with or limit the use of the full interior of the garage, or may interfere with the City of Welland side lot allowances and restrictions, and accordingly may of necessity be eliminated by the Vendor and the Purchaser hereby acknowledges being advised of the foregoing and consents to same. The Purchaser hereby acknowledges and agrees that due to grading conditions a deck may be required to provide access to the rear and/or side yards of the Dwelling exterior.

- (v) The Purchaser hereby acknowledges receipt of the foregoing information and agrees that if the installation of the insulated door requires more than one or two steps in the garage or the Dwelling exterior, the Purchaser will accept the deletion of this door or doors as so required.
- (w) The Purchaser acknowledges that due to recent changes in the Ontario Building Code regarding external wall insulation, adjustments to some of the Vendor's stated room dimensions may become necessary to accommodate the increase in insulation.
- (x) The Purchaser hereby acknowledges that the Vendor may, due to the location of services to the building lot and/or street appeal, place the said style of Dwelling on the specified lot, as a reversed plan to the renderings posted in the sales office or the model home viewed by the Purchaser.
- (y) It is hereby agreed and understood by both parties hereto that any adjustments or amendments made by way of facsimile transmission shall be hereby deemed to be accepted and binding to both parties.
- (z) The Purchaser acknowledges and agrees that all exterior colour packages are designed and approved, by lot, by the Vendor's architect.
- (aa) The Purchaser acknowledges and agrees that all interior colour selections are to be made at the Vendor's Decor Center and that certain samples shown in the Sales Presentation Center may not be available at time of selection.
- (bb) The Purchaser acknowledges and agrees that all renderings of elevations displayed are Artist's concepts only and that architectural detail in construction may vary from plan to plan and house to house.
- (cc) The Purchaser acknowledges and agrees that he/she will undertake not to do any work on, or supply any materials to finish the Dwelling on or before the Closing Date.
- (dd) The Purchaser acknowledges and agrees that the Vendor is not responsible for variances in colours, or shades of colours, and textures of materials in the finishes of the Dwelling, such as ceramic tile, cushion door, broadloom, oak pickets and handrails, cabinetry, paint or exterior material including brick and shingles. Materials and colours will be as close as possible to Vendor's samples, but not necessarily identical.
- (ee) The Purchaser acknowledges and agrees that the Vendor is not responsible for shade differences occurring from different dye lots on ceramic tile, cushion door, broadloom, oak pickets and handrail, cabinetry, paint or exterior material finishes including brick and shingles. Materials and colours will be as close as possible to Vendor's samples but not necessarily identical.
- (ff) The Purchaser acknowledges and agrees that should repair work be necessary within the Vendor's Taron Warranty, the Purchaser acknowledges and agrees that the Vendor is not responsible for shade differences occurring in finishing materials, including ceramic tile, cushion floor, broadloom, oak pickets and handrail, cabinetry, paint or exterior material finishes including brick and shingles.
- (gg) The Purchaser shall indemnify and save the Vendor, its servants and agents harmless from all action, causes of action, claims and demand for, upon or by reason of any damages, or injury to person or property of the Purchaser, or any of its friends, relatives, workmen or agents who have entered on the Real Property or any part of the subdivision of which the Real Property forms a part whether with or without the authorization, express or implied, of the Vendor.
- (hh) Purchaser acknowledges and agrees that they are responsible for the up keep and maintenance of catch basins and swales, in accordance with the City of Welland's Lot Grading and Drainage Policy for Subdivisions, as may be amended from time-to-time.
- (ii) Purchaser acknowledges and agrees that servicing allocation for this subdivision will not be assigned until the plan is granted final approval for registration.
- (jj) The Vendor reserves the right to add, delete, revise or modify any of the warming clauses and or notice provisions contained herein as may be require or requested by the City of Welland, Region of Niagara or any other municipal authority and the Purchaser hereby agrees to be bound by such additions, deletions and or modifications to the Notice Provisions.
- (kk) The Vendor will not be responsible for any complaints or claims arising from the use of facilities and/or operations on, over or under the Hydro Lands. The Purchaser shall through restrictive covenants to be registered on title to the Real Property and all agreements of purchase and sale or leases provide notice to the public that the protective or environmental measures implemented are not to be tampered with or altered and further that the Purchaser from time to time shall have the sole responsibility for and shall maintain these measures to the satisfaction of the Vendor.
- (ll) Purchasers/tenants are advised that sound levels due to increasing road traffic may occasionally interfere with some activities of the dwelling occupants as the sound levels exceed the noise criteria of the Municipality and the Ministry of Environment, Conservation and Parks.
- (mm) This dwelling unit has been designed with the provision for adding central air conditioning at the occupant's discretion. Installation of central air conditioning by the occupant in low and medium density developments will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the sound level limits of the Municipality and the Ministry of the Environment, Conservation and Parks.

- (nn) All Works within the Subdivision, including but not limited to storm sewers, sanitary sewers, water main, roads, curbs and gutters, street lighting and drainage works and swales are contracted by the Vendor. The Vendor is obligated to maintain the Works in accordance with the Subdivision Agreement and Plans registered on title.
- (oo) The Real Property in the Plan of Subdivision is subject to the payment of development charges which are payable prior to the issuance of a building permit.
- (pp) Public sidewalk construction at the Vendor's expense shall be in accordance with the terms of the Subdivision Agreement and approved plans on file at the City of Welland (the "City"). The Purchaser agrees to keep the sidewalk directly adjacent to their Lot or Block clear from snow.
- (qq) The Vendor shall be responsible for installing paved driveway aprons from curb to the property line or from the curb to the sidewalk within municipal road allowances.
- (rr) The Purchaser agrees to maintain the grassed boulevard including turning circles islands and/or medians.
- (ss) The general tidy appearance and maintenance of an individual Lot or Block is the responsibility of the Purchaser upon purchase of said Lot or Block.
- (tt) All building roof downspouts and sump pump discharge within this subdivision shall discharge only to ground surface via splash pads to either side or rear yards, with no direct connection to the storm sewer or discharge directed to the driveway or Roadway.
- (uu) No one shall interfere with the drainage swales or surface drainage pattern on a Lot or Block without explicit written permission from the Director of Planning and Development Services. All swales are for storm water management purposes and it shall be the responsibility of the Purchaser to maintain the drainage across the Lot or Block in accordance with the approved Subdivision Grading Plan and Lot Grading Plan. Should the City find it necessary to enter upon the Real Property to undertake any inspection of or any Works with regard to any drainage or stormwater management Works, the City shall have the same rights as are prescribed by the Subdivision Agreement.
- (vv) The Real Property is in proximity to lands designated for rural/agricultural uses. The Real Property may be subject to noise, odour, and/or dust from nearby agricultural operations which may interfere with some activities of the dwelling occupants.
- (ww) All persons intending to acquire an interest in the Real Property by purchase or lease on this development are advised of the presence of a Stormwater Management Facility which will be subject to storm water flows and periodic flooding due to seasonal rainfall and snowmelt. Portion of these lands may be impacted by fast flowing water, ponding, insect and animal habitat and odours associated with their designed use.
- (xx) The dwelling unit has been designed with the provision of adding central air condition at the occupant's discretion. Installation of central air conditioning by the occupant will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the sound level limits of the Municipality and the Ministry of Environment, Conservation and Parks.
- (yy) Purchasers/tenants are advised that due to proximity to the existing and/or future commercial facilities, sound levels from those facilities may at times be audible.
- (zz) The Real Property and lands within the plan of subdivision may be exposed to reduced air quality and/or odour, dust, vibration and/or noise impacts from nearby industrial operations that may interfere with some activities of the Purchasers/tenants who occupy these lands.
- (aaa) Purchasers are advised that servicing allocation for the subdivision will not be assigned by Niagara Region until the plan of subdivision is registered and acknowledges that the lot, lots block or blocks which are the subject of this agreement of purchase and sale may not yet be registered as part of a plan of subdivision(s). The fulfillment of all conditions of draft plan approval, including the commitment of water supply and sewage treatment services thereto by the Region and other authorities, has not yet been completed to permit registration of the plan. Accordingly, the Purchaser should be aware that the Vendor is making no representation or warranty that the lot, lots, block or blocks which are the subject of this agreement of purchase and sale will have all conditions of draft plan approval satisfied, including the availability of servicing, until the plan is registered.
- (bbb) Purchasers are advised that:
 - (i) The home/business mail delivery will be from a designated Centralized Mail Box;
 - (ii) At the time of sale, the specific locations of the Centralized Mail Box may or may not be known; and
 - (iii) That the Vendor is responsible for officially notifying Purchasers of the exact Centralized Mail Box locations prior to the closing of any home sales.
- (ccc) Purchasers/occupants are advised that Canadian National Railway Company or its assigns or successors in interest (collectively "CNR") has or have any rights-of-way within 300 metres from the Real Property or lands within the plan of subdivision the subject hereof. There may be alterations to or expansions of the railway facilities on such rights-of-way in the future including the possibility that the railway or its assigns or successors as aforesaid may expand its operations,

which expansion may affect the living environment of the residents in the vicinity, notwithstanding the inclusion of any noise and vibration attenuating measures in the design of the development and individual dwelling(s). CNR will not be responsible for any complaints or claims arising from use of such facilities and/or operations on, over or under the aforesaid rights-of-way.

- (ddd) Purchasers are advised that there is a noise and safety berm located in Blocks 132, 133 and 134 of the approved draft plan of subdivision; the safety berm, fencing and any vibration isolation measures implemented in support of this subdivision are not to be tampered with or altered. The owner or owners of Blocks 132, 133 and 134 shall have the sole responsibility for and shall maintain these measures to the satisfaction of CNR.
- (eee) Purchasers and tenants are advised that sound levels due to increasing road/rail traffic may occasionally interfere with some activities of the dwelling occupants as the sound levels may occasionally exceed the sound level limits of the Municipality and the Ministry of the Environment, Conservation and Parks.
- (fff) Purchasers and tenants are advised that despite the inclusion of noise control features in the development and within the building units, sound levels due to increasing road/rail traffic may on occasion interfere with some activities of the dwelling occupants as the sound levels may occasionally exceed the sound level limits of the Municipality and the Ministry of the Environment, Conservation and Parks.
- (ggg) Purchasers and tenants are advised that all units have been fitted with a forced air heating system and the ducting etc., was sized to accommodate central air conditioning. Installation of central air conditioning will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the criteria of the Municipality and the Ministry of the Environment, Conservation and Parks.
- (hhh) Purchasers and tenants are advised that there are two operating rail lines in the vicinity of the subdivision and that sound from the railway operations may at times be audible. Railway operations may change in future; these changes may increase or decrease frequency, duration or level of noise generated by use of the railway.
- (iii) Purchasers and tenants are advised that there is industry operating in the vicinity of the subdivision and that sounds, odour, dust and/or vibration from industrial operation may at times be perceptible. Industrial operations may change in future; these changes may increase or decrease frequency, duration or level of noise and/or odour generated by the industrial use.
- (jjj) Purchasers and tenants are advised that an acoustic barrier (earth berm and noise barrier) will be constructed within Blocks 132, 133 and 134 as shown on the draft plan of subdivision and that this barrier provides beneficial acoustic shielding to residential lots on the western portion of the development. The first row of homes adjacent to the rail line and berm have been granted a class 4 designation.
- (kkk) Purchasers and tenants are advised the certain lots in Blocks 27 and 32 and all lots in Blocks 26, 28, 29, 30, and 31 as identified in the approved draft plan of subdivision (as per City File No. 26T-14-06002) are subject to a class 4 designation as per NPC 300.
- (lll) Purchasers and tenants are advised that for those homes located on class 4 lands which includes Lots 28-55, both inclusive, and Blocks 157-160 (all units per each block) sound levels due to the adjacent industry and rail operations are required to comply with sound level limits that are protective of indoor areas and are based on the assumption that windows and exterior doors are closed. These dwelling units will be supplied with a ventilation/air conditioning system which will allow windows and exterior doors to remain closed.
- (mmm) Purchasers and tenants are advised that certain lots in Blocks 98 and 107 and all lots in Blocks 103, 104, 105 and 106 as identified in the approved draft plan of subdivision (as per City File No. 26T-14-20007) are subject to a class 4 designation as per NPC 300.
- (nnn) Purchasers and tenants are advised that in respect to any residential blocks/lots abutting lands owned by the St. Lawrence Seaway Management Corporation (SLSM) the following provisions shall apply:
 - (i) That the grading and development of the residential lots/blocks backing onto the SLSM lands shall not impact or encroach onto such lands with any building and/or structure (e.g. fences, retaining walls, poles, composters, children's play structures, landscape features, etc.) and there shall be no dumping;
 - (ii) That fencing installed on private lands shall not be removed or disturbed for any purposes and any disturbance or removal on a temporary basis shall require approval from the SLMC; and
 - (iii) That all demarcation measures such as tree planting, fences and/or monuments installed between SLMC lands and private land shall not be damaged or removed from its approved location at any time.
- (ooo) Purchasers are advised that there is an existing hydro corridor that runs through Block 135 and that lots in Blocks 95, 96, 97 and 98 of the approved subdivision (as per City File No. 26T-14-06002) back onto a hydro corridor, designated as open space.

- (ppp) Purchasers are advised that certain lot fencing is acoustical fencing as required by the City of Welland and that maintenance and repair of said fence is the responsibility of the Purchaser.
- (qqq) The Purchaser acknowledges that the Vendor has entered or will enter into an Agreement with the City of Welland for access to certain Brownfield Community Improvement Plan Incentive Programs (“**Grants**”) which are intended to compensate the Vendor for certain costs incurred by it to remediate the lands which are the subject of this sale. The Purchaser, for itself, its successors and assigns, does hereby waive any present or future claim or entitlement to such Grant, whether such Grants are in the form of actual payments, rebates of charges otherwise payable, or refunds or rebates on real property taxes paid or payable or otherwise. The Purchaser, for itself, its successors and assigns, does hereby forever release any claims to the Grants; and, does hereby appoint the Vendor as its agent and attorney for the purpose of executing and delivering any required confirmation of such release to any relevant authority, and the power hereby granted shall be absolute and irrevocable and neither this waiver nor appointment shall merge with the closing and shall survive intact until the Grants have been exhausted. The Purchaser further covenants and agrees that it shall obtain an identical covenant from any purchasers of the Real Property. Provided, however, that the Purchaser shall not be responsible to collect any such Grants on behalf of the Vendor.
- (rrr) Purchasers are advised and acknowledge that rear lot catchbasins, contained within a 3.0-meter-wide easement, may be installed along common lot lines. The Purchaser(s) are advised that the surface water run-off is drained via a swale system to the aforementioned catchbasins and a storm sewer lead to the main municipal storm sewer system. The Purchaser(s) covenant and agree not to alter the grading or cause any blockage or obstruction to the catchbasins or swales and undertake to maintain the aforesaid catchbasins or swales in good condition at their own cost and expense.
- (sss) Purchasers are advised there may be a sidewalk in front of your home.
- (ttt) Purchaser acknowledges that any lot in proximity to (1) the CNR Rail line, (2) Shipping Canal, (3) Verbio Diesel Canada and (4) Townline Tunnel Road and CNR Rail line (north) will be fitted for forced air heating system and ducting etc. sized to accommodate central air. Install of air-conditioning by the occupant will allow windows and exterior doors to remain closed thereby ensuring that the indoor sound levels are within the municipality and MOECC’s noise criteria. (Note that the location and installation of the outdoor air conditioning device should be done so as to comply with noise criteria of MOE publication NPC 216, Residential Air Conditioning Devices and thus minimize the noise impacts both on and in the immediate vicinity of the Real Property).
- (uuu) Purchaser acknowledges and agrees that it will take title to the Real Property subject to any easements registered on title for purposes of utilities and any easements in favour of CNR.
- (vvv) Purchaser covenants and agrees to accept title to any restrictive covenant, agreement, easement agreement and any record of site condition that may be registered on title of the Real Property.

Schedule "E"

RECEIPT CONFIRMATION

The undersigned being the Purchaser of the Real Property hereby acknowledge having received from the vendor as of the date set out below the following document with respect to the purchase of the Real Property:

- 1. a true and complete copy of this Agreement or proposed Agreement.

Date: _____ day of _____, _____.

_____) _____
Witness:) Purchaser:
)
)
)
) _____
) Purchaser:

EXTERIOR COLOURS

Project Name: _____

Lot: _____

Purchaser: _____

Purchaser: _____

1. The Purchaser(s) acknowledges that all exterior colour selections are Architecturally Controlled for the purpose of providing a pleasing streetscape.
2. **The purchaser(s) acknowledges that neither the Vendor, nor its representatives, have guaranteed any exterior colour selection chosen by the Purchaser(s).**
3. The Purchaser(s) acknowledge that the exterior colour package will include several elements and that no substituted colours within a particular package are possible. The following elements, but not without limitation, are included in the exterior colour package: Main Brick, Accent Brick (where applicable), Stone (where applicable), Roof Shingle, Soffit, Fascia & Downspouts, Vinyl Siding (where applicable), Paint for Front Doors, Garage Doors, Garage Trim, Crezone Panels (where applicable), Window Trim, Posts and Pickets (where applicable), Louvers (where applicable), etc.
4. Notwithstanding all of the above, the Vendor will endeavor to provide the Purchaser(s) with one of the exterior colour package choices listed herein and acknowledges that no exterior colour package choice shall be guaranteed by the Vendor, The Purchaser(s) hereby designates the following exterior colour packages in order of preference.

Package No. _____

Package No. _____

Package No. _____

Please note that if a selection is not made prior to firm up of this agreement of purchase and sale, then the Vendor will select on behalf of the purchaser, and the purchaser agrees to accept. Purchaser acknowledges that the Vendor shall, in its sole discretion, have final choice on all exterior colour package selections.

Schedule J

Please review the following Design policies and procedures, and with your co-operation we can work together to make your selections experience a pleasurable one.

Please ensure you bring the following to your appointment:

- 1) Your chosen appliance specifications and measurements, where required;
- 2) Payment - We accept VISA, MASTERCARD, DEBIT or CHEQUE; and
- 3) Any bank or mortgage pre-approval letter as may be required by the Vendor.

Please read carefully and acknowledge the following:

Hours of Operation	You will be given two (2) appointments to complete your selections. They will take place at the Design Centre in Caledonia, Ontario and will be scheduled Monday through Friday during business hours. The Design Centre is open by appointment only and appointments are facilitated during business hours. Appointments outside of these dates and times are not available.
Deadlines	The Purchaser shall book any appointments at the Design Centre within ten (10) days after notification of same by the Vendor. If the Purchaser has not booked their appointment within ten (10) days as set out above, this shall be deemed to automatically constitute non-selection of colours or materials by the Purchaser and the Vendor shall have the option of choosing the colours and materials based upon the Vendor's standard builder features for and on behalf of the Purchaser without any further notice and the Purchaser agrees to accept same.
Options and Upgrades Agreement	All requests for extras must be set out in a fully executed Options and Upgrades Agreement. For clarity, all Options and Upgrades Agreement must be executed by the Purchaser within 24 hours of receipt of same and then subsequently accepted by the Vendor. Notwithstanding any completion of selections by the Purchaser, the failure by the Purchaser to execute the Options and Upgrades Agreement shall be deemed to automatically constitute non-selection of colours or materials by the Purchaser and the Vendor shall have the option of choosing the colours and materials based upon the Vendor's standard builder features for and on behalf of the Purchaser without any further notice and the Purchaser agrees to accept same.
Changes / Upgrades	Any changes or cancellations to orders subsequent to the finalization of the Options and Upgrades Agreement or the Interior Finishes Colour Chart will be at the discretion of the Vendor. If the Vendor agrees to any changes or cancellations, a \$500.00 fee (plus tax) plus a 10% restocking fee will be applicable per change or cancellation, for each trade affected.
Continual Improvement of Product Offerings	The Design Centre is continuously researching and improving. New product offerings may be available after selections by the Purchaser have been completed. The Purchaser acknowledges and agrees that it may not have the opportunity or ability to purchase such new product offerings.
Unauthorized Work	Unauthorized work will not be warranted or guaranteed by the Vendor or Tarion Warranty Corporation, as stated in the Ontario New Home Warranties Plan Act, Section 13, Item 2 (G); and may be removed from the premises at the cost of the Purchaser.
Payment Terms	Full payment for all selections shall be made within five (5) days of the date set out in the Options and Upgrades Agreement. If the Purchaser has not paid in full the total amount set out in the Options Agreement within five (5) days as set out above, this non-payment shall be deemed to automatically constitute non-selection of colours or materials by the Purchaser and the Vendor shall have the option of choosing the colours and materials based upon the Vendor's standard builder features for and on behalf of the Purchaser without any further notice and the Purchaser agrees to accept same.
Acceptance by Customer	Only items set out in the Options and Upgrades Agreement, the Interior Finishes Colour Chart or any signed addendums/amendments of the Agreement of Purchase and Sale (collectively, the " Selection Documents ") shall be ordered and applicable to the home. It is the responsibility of the Purchaser to ensure the accuracy of the selections as set out in the Selection Documents. In the event of any discrepancy, any selections as set out in a fully executed Selection Document shall supersede any discussions or verbal representations by the Vendor or any representative of the Vendor. This Schedule shall be read alongside the terms of the Options and Upgrades Agreement. In the event of any conflict, the terms of the Options and Upgrades Agreement shall prevail.
Bank Letter	The Vendor may require the Purchaser to provide a bank or mortgage pre-approval letter in its sole and absolute discretion.
Purchaser Selections Not Available	If a selection by the Purchaser is not available, the Purchaser agrees to make an alternative selection from Vendor's samples of equivalent value. The Purchaser has the option to upgrade original selection at their expense, subject to Vendor's discretion and approval. Re-selection must be made within seven (7) days after notice. If a selection is not made by the Purchaser within seven (7) days, the Vendor has the right to make an alternative selection for and on behalf of the Purchaser without any further notice and the Purchaser agrees to accept same.
Inventory Lots	If a home is purchased as an inventory home, no changes will be permitted to the following: lot, model, exterior elevation, floor plan, exterior colour package, minor (non-structural) interior design enhancements or any terms and conditions of the Agreement of Purchase and Sale. For any home under construction, the Purchaser agrees to accept any and all selections previously selected. If the Vendor notifies the Purchaser that they may select certain interior finishes, such a selection shall be made within seven (7) days following notice. If a selection is not made by the Purchaser within seven (7) days, the Vendor has the right to make such a selection for and on behalf of the Purchaser without any further notice and the Purchaser agrees to accept same.

SCHEDULE “PRPNC”

PROHIBITION ON THE PURCHASE OF RESIDENTIAL PROPERTY BY NON-CANADIANS

1. Definitions

- (a) “**Act**” means the *Prohibition on the Purchase of Residential Property by Non-Canadians Act*, SC 2022, c 10, s 235.
- (b) “**Regulations**” mean the *Prohibition on the Purchase of Residential Property by Non-Canadians Regulations* SOR/2022-250.
- (c) “**Common-law Partner**”, in relation to an individual, means a person who is cohabiting with the individual in a conjugal relationship, having so cohabited for a period of at least one year.
- (d) “**Control**”, in respect to a corporation or entity, means (i) director or indirect ownership of shares or ownership interests of the corporation or entity representing 3% or more of the value of the equity in it, or carrying 3% or more of its voting rights; or (ii) control in fact of the corporation or entity, whether directly or indirectly, through ownership, agreement or otherwise.
- (e) “**Dwelling Unit**” means a residential unit that contains private kitchen facilities, a private bath and a private living area.
- (f) “**Minister**” means the Minister of Housing and Diversity and Inclusion.
- (g) “**Non-Canadian**” means (i) an individual who is neither a Canadian citizen nor a person registered as an Indian under the Indian Act nor a permanent resident; (ii) a corporation that is incorporated otherwise than under the laws of Canada or a province; (iii) a corporation incorporated under the laws of Canada or a province whose shares are not listed on a stock exchange in Canada for which a designation under section 262 of the Income Tax Act is in effect and that is controlled by a person referred to in subsection (i) or (ii) of this definition; and (iv) a Prescribed Person or a Prescribed Entity.
- (h) “**Permanent Resident**” means the same as subsection 2(1) of the *Immigration and Refugee Protection Act*.
- (i) “**Prescribed**” means prescribed by regulation.
- (j) “**Prescribed Entities**” or “**Prescribed Entity**” means (i) an entity formed otherwise than under the laws of Canada or a province; and (ii) an entity formed under the laws of Canada or a province and controlled by an entity referred to in subsection (i) of this definition or controlled by a person referred to in subsection (i), (ii), or (iii) of the definition of Non-Canadian.
- (k) “**Prescribed Circumstances**” or “**Prescribed Circumstance**” means circumstances that are incompatible with the rights recognized and affirmed by section 35 of the *Constitution Act, 1982*.
- (l) “**Prescribed Persons**” or “**Prescribed Person**” means (i) foreign nationals who hold a passport that contains a valid diplomatic, consular, official or special representative acceptance issued by the Chief of Protocol for the Department of Foreign Affairs, Trade and Development; (ii) foreign nationals, with valid temporary resident status, whose temporary resident visa was issued, or temporary resident status was granted, following an exemption provided under section 25.2 of the *Immigration and Refugee Protection Act*, if the Minister is of the opinion that the exemption was justified based on public policy considerations to provide safe haven to those fleeing conflict; or (iii) persons that have made a claim for refugee protection in accordance with subsection 99(3) of the *Immigration and Refugee Protection Act*, if that claim has been found eligible and referred to the Refugee Protection Division under subsection 100(1) of that Act.
- (m) “**Purchase**” means the acquisition, with or without conditions, of a legal or equitable interest or a real right in a residential property but does not include (i) the acquisition by an individual of an interest or a real right resulting from death, divorce, separation or a gift; (ii) the rental of a dwelling unit to a tenant for the purpose of its occupation by the tenant; (iii) the transfer under the terms of a trust that was created prior to the coming into force of the Act; or (iv) the transfer resulting from the exercise of a security interest or secured right by a secured creditor.
- (n) “**Residential Property**” means any real property or immovable, other than a prescribed real property or immovable, that is situated in Canada and that is (i) a detached house or similar building, containing not more than three dwelling units, together with that proportion

of the appurtenances to the building and the land subjacent or immediately contiguous to the building that is reasonably necessary for its use and enjoyment as a place of residence for individuals; (ii) a part of a building that is a semi-detached house, row house unit, residential condominium unit or other similar premises that is, or is intended to be, a separate parcel or other division of real property or immovable owned, or intended to be owned, apart from any other unit in the building, together with that proportion of any common areas and other appurtenances to the building and the land subjacent or immediately contiguous to the building that is attributable to the house, unit or premises and that is reasonably necessary for its use and enjoyment as a place of residence for individuals; or (iii) any prescribed real property or immovable.

2. Purchaser's Representations and Warranties

- (a) The Purchaser acknowledges the provisions set forth in the Act and hereby represents and warrants to the Vendor that it is not in breach of section 4(1) of the Act because:
- (i) The Purchaser is not a Non-Canadian nor will the Purchaser be a Non-Canadian on or before Closing; or
 - (ii) The Purchaser is a Non-Canadian but the Purchaser is exempt under subsection 4(2) of the Act because the Purchaser is
 - A. A temporary resident within the meaning of the *Immigration and Refugee Protection Act* and who satisfies one of the following conditions: (a) if they are enrolled in a program of authorized study at a designated learning institution, as defined in section 211.1 of the *Immigration and Refugee Protection Regulations*, (i) they filed all required income tax returns under the *Income Tax Act* for each of the five taxation years preceding the year in which the purchase was made, (ii) they were physically present in Canada for a minimum of 244 days in each of the five calendar years preceding the year in which the purchase was made, (iii) the purchase price of the residential property does not exceed \$500,000, and (iv) they have not purchased more than one residential property; or (b) if they hold a work permit, as defined in section 2 of the *Immigration and Refugee Protection Regulations*, or are authorized to work in Canada under section 186 of those Regulations, (i) they worked in Canada for a minimum period of three years within the four years preceding the year in which the purchase was made, if the work is full-time work as defined in subsection 73(1) of the *Immigration and Refugee Protection Regulations*, (ii) they filed all required income tax returns under the *Income Tax Act* for a minimum of three of the four taxation years preceding the year in which the purchase was made, and (iii) they have not purchased more than one residential property.
 - B. A protected person within the meaning of subsection 95(2) of the *Immigration and Refugee Protection Act*;
 - C. An individual who is a Non-Canadian and who purchases Residential Property in Canada with their spouse or Common-law Partner if the spouse or Common-law Partner is a Canadian citizen, person registered under the *Indian Act*, Permanent Resident or person referred to in Section 2(a)(ii)A or 2(a)(ii)B; or
 - D. A Prescribed Entity or Prescribed Person;
 - (iii) The prohibition of such a Purchase constitutes a Prescribed Circumstance;
 - (iv) The Purchaser is a foreign state purchasing residential property for diplomatic or consular purposes; or
 - (v) The agreement of purchase and sale of the residential property was completed before the day on which the Act came into force;
- (b) 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 Real Property for the Purchaser's own personal use and not for the use of persons prohibited under section 4(1) of the Act;
- (c) The Purchaser further covenants, agrees, represents and warrants (i) that it is purchasing the Property as principal for its own account and same is not being purchased by the Purchaser as an agent, trustee or otherwise on behalf of or for another person or entity; and (ii) not to either directly or indirectly sell, transfer, assign or direct title on Closing (collectively and individually hereinafter referred to as a "**Transfer**"), to any Non-Canadian in contravention of section 4(1) of the Act. Any Transfer in contravention of section 4(1) of

the Act shall be null and void. The Purchaser acknowledges that once a breach occurs, it is incapable of rectification and, accordingly, the Purchaser acknowledges, understands 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 written notice of termination to the Purchaser or the Purchaser's Solicitors whereupon the default provisions of the Agreement shall apply.

- (d) The Purchaser further covenants and agrees that upon execution of this Agreement, the Purchaser shall provide written evidence and confirmation, satisfactory to the Vendor, that the Purchaser is not a Non-Canadian or is a Non-Canadian but is exempt under subsection 4(2) of the Act. In addition, at any time on or prior to Closing, the Purchaser shall also provide such written evidence and confirmation, satisfactory to the Vendor (which may include, without limitation, a statutory declaration of the Purchaser), that the Purchaser is not a Non-Canadian in accordance with the Act or is a Non-Canadian but is exempt under subsection 4(2) of the Act.

3. **Breach of Representations and Warranties**

- (a) The Purchaser and Vendor acknowledge that the contravention of Section 2 above does not affect the validity of the sale of the Residential property to which the contravention relates.
- (b) In the event of a breach of Section 2 above or a default by the Purchaser, then, in addition to any other rights or remedies which the Vendor may have, the Vendor, at its sole option, shall have the right to terminate this Agreement and preserve any rights the Vendor may have against the Purchaser and in such event, all monies paid hereunder (including the deposit monies paid or agreed to be paid by the Purchaser pursuant to this Agreement which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon and monies paid or payable for extras or upgrades or changes ordered by the Purchaser, whether or not installed in the Dwelling, shall be forfeited to the Vendor. The Purchaser agrees that the forfeiture of the aforesaid monies shall not be a penalty and it shall not be necessary for the Vendor to prove it suffered any damages in order for the Vendor to be able to retain the aforesaid monies. The Vendor shall in such event still be entitled to claim damages from the Purchaser in addition to any monies forfeited to the Vendor. In the event the Vendor's solicitors are holding any of the deposit monies in trust pursuant to this Agreement, then in the event of a default, the Vendor's solicitors shall be entitled to pay to the Vendor the said deposit monies together with any interest accrued thereon, provided the Vendor has delivered to its solicitors a certificate of the Vendor or an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the said deposit monies and accrued interest, if any. Thereupon the Purchaser hereby releases the Vendor's solicitors from any obligation to hold the said deposit monies, if any, and interest, if any, in trust, and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies, if any, and accrued interest, if any, to the Vendor;
- (c) It is understood and agreed that the rights contained in this Section on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

4. **Indemnity**

Without limiting the foregoing the rights of the Vendor set out in this Agreement, the Purchaser shall indemnify and hold harmless the Vendor from and against all losses, costs (including legal fees on a full indemnity scale), expenses, actions, suits, causes of action, proceedings, damages and liabilities incurred and/or suffered as a result of the Purchaser's breach of any of the representations and/or warranties set out in Section 2 herein and for any default, including liabilities arising from penalties, prosecutions, fines, and orders under subsections 6(1), 6(2), 7(1), and 7(2) of the Act. This indemnity shall not merge on the closing of the transaction but shall survive same.



CANALS

SCHEDULE "X"

Bonus Incentives and Acknowledgements

PURCHASER NAME(S): _____

Lot #: _____ Project/Phase: _____ Plan: _____ Elev: _____
Model: _____ Type: _____

Item #	Description	Price (If Applicable)
1	Purchaser to receive: \$5,000 Décor Dollars to spend at time of décor appointment. This amount is non-transferable, non-refundable, non-negotiable and has no cash value. This amendment Shall become come Null and Void if the Purchaser is in default with any term or condition prior to closing or assigns said unit prior to close.	N/C

Acknowledgements / Notes:

The Vendor will undertake to incorporate the work specified in this Schedule X in the construction of the house, but will not be liable to the Purchaser in any way if, for any reason, this work cannot be completed. In that event, any monies paid in connection with same shall be returned to the purchaser without interest or penalty. Any or all of the above noted requests may be refused should they not be finalized within the time frame required by construction. It is understood that if for any reason whatsoever the transaction of Purchase and Sale is not completed, these changes have no cash value and are non-refundable and non-transferrable. All changes are subject to construction approval. The Purchaser further acknowledges that any appliance packages include delivery, but not hook up or installation.

DATED the _____ day of _____, _____.

Prepared by:

Vendor: 555 CANAL BANK DEVELOPMENTS LP
by its General Partner
555 CANAL BANK DEVELOPMENTS GP INC.

Purchaser: _____

Purchaser: _____

_____ A.S.O.

Date
Accepted

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.

**Freehold Form
(Tentative Closing Date)**

Property Canals Phase 2

**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 555 Canal Bank Developments GP Inc. in its capacity as General Partner for 555 Canal Bank Developments LP
Full Name(s)

PURCHASER _____
Full Name(s)

1. Critical Dates

The **First Tentative Closing Date**, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the ___ day of _____, 20__.

A **Second Tentative Closing Date** can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Closing Date. The Second Tentative Closing Date can be up to 120 days after the First Tentative Closing Date, and so could be as late as: the ___ day of _____, 20__.

The Vendor must set a **Firm Closing Date** by giving proper written notice at least 90 days before the Second Tentative Closing Date. The Firm Closing Date can be up to 120 days after the Second Tentative Closing Date, and so could be as late as: the ___ day of _____, 20__.

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

The Vendor can set a Delayed Closing Date that is up to 365 days after the earlier of the Second Tentative Closing Date and the Firm Closing Date: This **Outside Closing Date** could be as late as: the ___ day of _____, 20__.

2. Notice Period for a Delay of Closing

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

Notice of a delay beyond the First Tentative Closing Date must be given no later than: the ___ day of _____, 20__.

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

Notice of a second delay in Closing must be given no later than: the ___ day of _____, 20__.

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

3. Purchaser’s Termination Period

If the purchase of the home is not completed by the Outside Closing Date, then the Purchaser can terminate the transaction during a period of **30 days** thereafter (the “**Purchaser’s Termination Period**”), which period, unless extended by mutual agreement, will end on: the ___ day of _____, 20__.

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

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

Acknowledged this ___ day of _____, 20__.

VENDOR: _____

PURCHASER: _____

**Freehold Form
(Tentative Closing Date)**

**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

Full Name(s)			
_____		_____	
HCRA Licence Number		Address	
_____		_____	
_____	_____	_____	_____
Phone	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:
(i) water capacity; and (ii) sewage capacity to service the Property. Yes No

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 ____ day of _____, 20__.

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"):

Freehold Form (Tentative Closing Date)

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

10. Termination of the Purchase Agreement

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

11. Refund of Monies Paid on Termination

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

12. Definitions

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

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

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

Freehold Form (Tentative Closing Date)

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

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

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

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

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

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

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

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

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

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

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

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

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

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

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

**Freehold Form
(Tentative Closing Date)**

15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

**Freehold Form
(Tentative Closing Date)**

SCHEDULE A

Types of Permitted Early Termination Conditions

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

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

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

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

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

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

2. The following definitions apply in this Schedule:

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

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

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

3. Each condition must:

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

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

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

**Freehold Form
(Tentative Closing Date)**

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.

[Draft Note: List items with any necessary cross-references to text in the Purchase Agreement.]

1. Water Meter Installation (\$1,058.00 + HST), Schedule A, Paragraph 1 (a)
2. Hydro Energization (\$750.00 + HST), Schedule A, Paragraph 1 (a)
3. Community Tree Planting Charge (\$900.00 + HST), Schedule A, Paragraph 1 (i)
4. Survey of the Real Property (\$200.00 + HST), Schedule A, Paragraph 1 (j)
5. Driveway installation (Single driveway \$1,250.00 + HST, Double driveway \$2,010.00 + HST), Schedule A, Paragraph 1 (l)
6. Law Society Levy (\$65.00 + HST), Schedule A, Paragraph 1 (c)
7. Enrolment Fee (\$_____) under the Ontario New Home Warranties Plan Act (the "Warranty Act") or Tarion or any subsequent legislation (eg. The Home Construction Regulatory Authority ("HCRA"), plus Applicable Taxes, Schedule A, Paragraph 1 (d)
8. HCRA oversight fee (\$145.00 + HST), Schedule A, Paragraph 1 (d)

**Freehold Form
(Tentative Closing Date)**

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.

[Draft Note: List items with any necessary cross-references to text in the Purchase Agreement.]

1. Adjustment for additional fee for increase of HCRA fee due to extras, Schedule A, Paragraph 1 (d);
2. Any amounts which remain unpaid and owing to the Vendor on account of upgrades and/or extras and/or changes ordered by the Purchaser, plus HST, Schedule A, Paragraph 3 (g);
3. All taxes, fuel, water rates, assessment rates and local improvements, Purchaser pays pro-rated portion, Schedule A, Paragraph 1 (b);
4. All amounts chargeable and billable to the Purchaser for water, hydro, gas, cable T.V. and any other services arising as a result of the Purchaser's failure to make his own contractual arrangements with the relevant public or private utility authorities and suppliers on the Closing Date and for which the Vendor is subsequently charged, Schedule A, Paragraph 1 (a);
5. The cost for any damages to or unauthorized changes that the Purchaser may make to the grading of the Real Property and/or the driveway and/or any amounts the Purchaser may owe to the Vendor and/or for any breach of any of the Purchaser's obligations pursuant to this Agreement and any damages, costs and expenses the Vendor may incur as a result thereof. Schedule A, Paragraph 1 (h);
6. In the event the Municipality and/or any other governmental or regulatory authority, board or entity requires the installation and/or erection of a privacy fence, lot line fence, chain link fence, retaining wall(s) and/or any other item of a similar nature relating to the Real Property the cost thereof, Schedule A, Paragraph 1 (i);
7. Any levies, payments, contribution, charge, fee or assessment, including without limitation, any parks levies, development charges, education development charges, cash in lieu of parkland dedication payments, public art contributions and/or impost charges, or other charges of any nature or kind whatsoever (collectively the "Levies") or any increase in the cost of any Levies, Schedule A, Paragraph 1 (f);
8. The cost of any obligation undertaken by the Vendor to the subdivider or the developer for subdivision esthetic enhancement, Schedule A, Paragraph 1 (i);
9. 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, Scheduled A Paragraph 1 (e)
10. The cost of an air-conditioning unit for the Dwelling if the governing authority requires the Vendor to install same, plus Applicable Taxes, Schedule A, Paragraph 1 (k)
11. 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, Schedule A Paragraph 1 (m)
12. The fees, costs and charges (including, without limitation, any rental, security deposit, administration, commodity and non-commodity fees/charges) for such utility(ies) as electricity, water and/or gas and/or the party(ies) monitoring consumption of such utility(ies) to the Property, 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, Schedule A Paragraph 1 (n)
13. Administration fee of up to \$1,500.00 plus HST (in addition to any legal fees and HST thereon) at the Vendor's discretion with respect to any changes to the manner in which the Purchaser(s) will be taking title to the Property, other than as noted herein, Schedule A Paragraph 1 (o)
14. Any legal costs incurred by the Vendor or its solicitors as a result of Purchaser's default hereunder, Schedule A Paragraph 1 (p)
15. Administrative/extension fee of up to \$5,000.00 plus HST or such terms of extension to be solely determined by the Vendor, Schedule A Paragraph 1 (q)
16. Any legal costs incurred by the Vendor or its solicitors as a direct or indirect result of the Purchaser's breach of any provision of this Agreement or default hereunder, including without limitation all legal fees and costs incurred by the Vendor relating to the issuance of a default letter (\$500 plus HST), extension fees (\$500 plus HST), reinstatement fees (\$500 plus HST) and amendment or assignment fees or any other changes to the statement of adjustments or to the closing documents (\$500 plus HST), Schedule A Paragraph 1 (r)
17. Legal fees in the amount of \$500 plus HST incurred by the Vendor or its solicitors for resending the closing documents and statement of adjustments to another solicitor as a result of the purchaser or its solicitor advising the Vendor or its solicitors that there has been a change of solicitor acting for the Purchaser at any time prior to Closing, Schedule A Paragraph 1 (s)
18. any legal fees up to the sum of \$150 plus HST incurred by the Vendor or its solicitors for each discharge of each charge registered against title to the Property, Schedule A Paragraph 1 (t)
19. A legal fee of \$100 plus HST for the cost of delivering the Closign documents via web delivery, Schedule A Paragraph 1 (u)