

AGREEMENT OF PURCHASE AND SALE



1. In this Agreement, the following terms have the following meanings:

- (a) **“Vendor”:** CACHET DEVELOPMENTS (CAM WEST) INC.
- (b) **“Purchaser(s)”**

- (c) **“Purchased Dwelling”:** the dwelling to be built on the Lot identified below and the Lot.
- (d) Civic Address: _____; Legal Description: in the city of Cambridge (the “City”), being Lot/Unit No. _____, of Plan 58M-685 Regional Municipality of Waterloo, as shown on the site plan attached as Schedule “S”.

Model Name: _____ **Model No.** _____ **Elevation:** _____ **Grade:** _____
- (e) **“Purchase Price”:** _____ Canadian Dollars (\$ _____ .00)
- (f) **“Deposits”:** (i) \$10,000.00 payable upon acceptance of this offer to purchase. In addition to the above deposit, the Purchaser submits herewith the following additional deposits by postdated cheques, as follows:
(ii) \$10,000.00 dated _ within 30 days _____; (iii) \$10,000.00 dated __ within 60 days _____; (iii) \$10,000.00 dated __ within 90 days _____; (v) \$10,000.00 dated __ within 120 days _____; (vi) \$10,000.00 dated __ within 150 days _____; (vii) \$10,000.00 dated __ within 180 days _____; (vii) \$10,000.00 Upon Commencement of Construction or February 1, 2024
and all of the foregoing deposits shall be payable to **CACHET DEVELOPMENTS (CAM WEST) INC.**
- (g) **“Closing”:** means the completion and consummation of the Transaction (as hereinafter defined) pursuant to the terms of this Agreement.
- (h) **“Developer”:** any predecessor in title to the Land who has entered into obligations with the Municipality for subdivision or servicing of the Land.
- (i) **“Municipality”:** any municipal corporation, whether local or regional, having jurisdiction over the Land.
- (j) **“Schedules”:** Schedules 1, A, C, N, O, S, X & Y attached to this Agreement form a part of the Agreement. The TARION Warranty Corporation’s (“TARION”) ‘Statement of Critical Dates’ and ‘Addendum to Agreement of Purchase and Sale (the “Addendum”)’ are also attached to this Agreement and form a part of the Agreement. The Purchaser confirms it has read and agrees to be bound by the Schedules, the Statement of Critical Dates and the Addendum.

2. The Purchaser hereby offers to purchase the Purchased Dwelling from the Vendor on the terms, conditions and Schedules contained in this Agreement, for the Purchase Price; payable by payment of the Deposits to the Vendor; and by payment of the balance of the Purchase Price to the Vendor on Closing.

3. This offer shall be irrevocable by the Purchaser until 11:59 p.m. on the _____ day of _____, 20____ after which time, if not accepted, this offer shall be null and void. If accepted, this offer shall constitute a binding Agreement of Purchase and Sale.

DATED at _____, this _____ day of _____, 20_____.

WITNESS:

PURCHASER'S SIGNATURE:

(as to all Purchaser's signatures if more than one Purchaser)

D.O.B.

YYYY/MM/DD

D/L #

PURCHASER'S SIGNATURE:

D.O.B.

YYYY/MM/DD

D/L #

Address:

Phone:

Bus: _____ Home: _____

Facsimile: _____ Cell: _____

E-mail: _____

PURCHASER'S SOLICITOR:

NAME: _____

ADDRESS: _____

PHONE: _____

E-mail: _____

Bus: _____ Facsimile: _____

ACCEPTED at CONCORD, this _____ day of _____, 20_____.

VENDOR'S SOLICITORS:

DESI C. AUCIELLO, B.A.L.L.B.

Barrister and Solicitor

200-361 Connie Crescent, Concord, ON L4K 5R2

Tel: (905) 882-0071 | Fax: (905) 764-3872 | Email: desi@dcalaw.ca**CACHET DEVELOPMENTS (CAM WEST) INC.**

Per: _____

I have authority to bind the Corporation.

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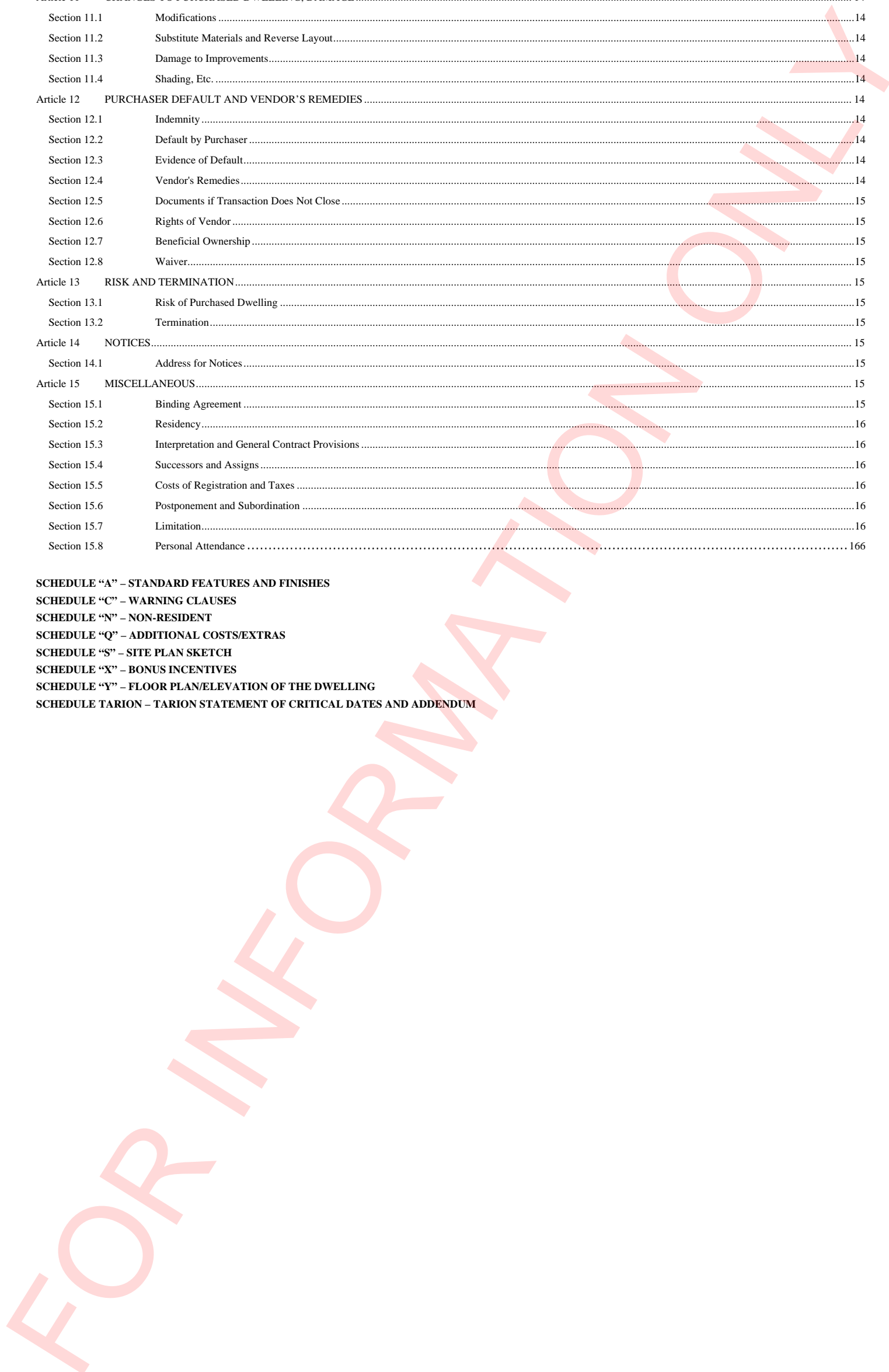
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SCHEDULE “1” – TERMS AND CONDITIONS

Article 1 DEFINITIONS

Section 1.1 Definitions

The following definitions shall apply to this Agreement:

- (a) “**affiliate**” has the meaning ascribed to it in the *Business Corporations Act*, R.S.O. 1990, c.B. 16, and “**affiliated**” has a corresponding meaning;
- (b) “**Agreement**” means this agreement of purchase and sale, together with any schedules hereto and includes any written amendments to this Agreement signed by the Vendor and the Purchaser;
- (c) “**Applicable Taxes**” means federal goods and services tax, provincial sales tax, harmonized sales tax, and/or other value added taxes existing as of the date hereof or as may be enacted in the future and applicable to the transaction contemplated by this Agreement, as amended from time to time;
- (d) “**Assignee**” has the meaning ascribed thereto in Section 9.6(b);
- (e) “**associate**” has the meaning ascribed to it in the *Business Corporations Act*, R.S.O. 1990, c.B. 16, and “**associated**” has a corresponding meaning;
- (f) “**Business Day**” has the meaning ascribed thereto in Section 12 on page 7 of the Tarion Addendum.
- (g) “**CCP**” has the meaning ascribed thereto in Section 10.4(i);
- (h) “**Closing**” has the meaning ascribed thereto on page 1 of this Agreement;
- (i) “**Closing Date**” mean the date of closing set out in Section 3.1 of this Agreement or any other date of closing, whether before or after such date, which may be fixed by the Vendor in accordance with the terms of this Agreement;
- (j) “**Control**” (including, with correlative meanings, the terms “**Controlling**”, “**Controlled By**”, “**Controlling Interest**” and “**Under Common Control With**”) means the power to influence, direct or cause the direction of the management and policies of a Person, directly or indirectly in any manner whatever, whether through the ownership of voting or non-voting securities, debt instruments, or any other manner;
- (k) “**Costs**” means all fees, costs, expenses, payments, charges, fines, compensation, interest, penalty, claims, suits, proceedings, causes of action, judgments, executions, responsibilities, demands, actions, injuries, liabilities, damages (including without limitation incidental, direct, indirect, special, consequential or otherwise) and losses whether indemnified against or not, sustained, suffered, incurred, paid or payable, directly or indirectly, by the Vendor or the Vendor’s Solicitors, or the Vendor’s Related Parties or their solicitors, plus an administrative fee of 15% thereon, relating to, in connection with or arising out of the relevant sections of this Agreement, all of which shall be paid forthwith by the Purchaser on demand to the Vendor or the Vendor’s Solicitor.
- (l) “**Critical Dates**” has the meaning ascribed thereto in the Tarion Addendum;
- (m) “**Deposits**” has the meaning ascribed thereto on Page 1 of this Agreement and “**Deposit**” means each one of them;
- (n) “**Development**” means the Lands, and all improvements, services, structures, erections and Dwellings built on, or under the Lands;
- (o) “**Dwellings**” means all of the proposed dwellings in the Development including each of the Lots on which a dwelling is located, all as depicted on the draft Site Plan attached hereto as Schedule “S”; and “**Dwelling**” means any one of them;
- (p) “**Encumbrances**” has the meaning ascribed thereto in Section 6.2;
- (q) “**ETA**” has the meaning ascribed thereto in Section 7.5;
- (r) “**Final Closing Date**” shall be the date upon which the transfer of title to the Purchased Dwelling is delivered to the Purchaser;
- (s) “**Governmental Authorities**” means any federal, provincial, municipal, local or other government, governmental, regulatory or administrative authority, body, commission or agency, Crown corporations or any court, tribunal, judicial, arbitral or quasi-governmental authority with jurisdiction over the Development;
- (t) “**Hazardous Substances**” means: (i) any article which may be prohibited by any insurance policy in force from time to time covering the Lands and any solid, liquid, gas, waste, offensive odour, heat, sound, vibration, radiation, or (ii) other substance or emission that may cause an adverse effect, or which may be detrimental to or have an adverse effect on the environment, human health or plant and animal life including, without limitation, any hazardous (to health or otherwise), dangerous, toxic or harmful substance or any pollutant, or any substance which may be prohibited under the *Environmental Protection Act* (Ontario);
- (u) “**HST**” has the meaning ascribed thereto in Section 7.5;
- (v) “**HST Rebate**” has the meaning ascribed thereto in Section 7.5;
- (w) “**Immediate Family**” means an individual Purchaser’s parents, brother, sister, spouse, and children;
- (x) “**Lands**” means firstly, means a portion of the lands legally described as firstly: being ALL LOTS AND BLOCKS CONTAINED IN PLAN 58M-685, CITY OF CAMBRIDGE (LT);
- (y) “**Lots**” means any of the lots/units depicted on the draft plan of subdivision for the Lands; and “**Lot**” means any one of them;
- (z) “**Marketing Materials**” means draft site plans, signs, artist renderings, 3D renderings, signs, drawings, sketches, videos, studies, brochures, booklets, advertisements, floor plans or scale models or any other marketing materials in relation to the Development and the Purchased Dwelling;
- (aa) “**ONHWPA**” means the *Ontario New Home Warranties Plan Act*, R.S.O. 1990, c O.31, and any amendments thereto or replacements thereof;
- (bb) “**Owner**” means the owner or owners of a Purchased Dwelling but does not include a mortgagee unless in possession;
- (cc) “**Payments for Extras**” means all monies paid by the Purchaser for any extras, upgrades, or other changes requested by the Purchaser to be made to the Purchased Dwelling and which have been ordered, implemented and/or paid for by the Vendor;
- (dd) “**Permitted Encumbrances**” has the meaning ascribed thereto in Section 6.1;
- (ee) “**Person**” means any individual, corporation, partnership, firm, company, limited liability company, joint venture, incorporated or unincorporated association, co-tenancy, syndicate, fiduciary, estate, joint-stock company, trust, entity, unincorporated organization, or government, governmental or quasi-governmental agency, board, commission or authority, organization or any other form of entity howsoever designated or constituted, or any group, combination of aggregation of any of them;
- (ff) “**Proportionate Share**” means the proportion allocated to the Purchased Dwelling which is equal to a fraction, the numerator of which is 1 and the denominator of which is the total number of dwellings in the Development;
- (gg) “**Purchased Dwelling**” has the meaning ascribed thereto on Page 1 of this Agreement;
- (hh) “**Purchase Price**” means the purchase price of the Purchased Dwelling as defined in Page 1 of this Agreement;
- (ii) “**Purchaser(s)**” means the purchaser(s) as defined in Page 1 of this Agreement. Any reference to “**Purchaser**” in any section of this Agreement, where the Purchaser has an obligation, has made a representation, provided a covenant or warranty, or has agreed to indemnify any other Person, shall include the directors, officers, servants, employees, contractors, agents, guests, invitees and licensees of the Purchaser and all other Persons over whom the Purchaser may reasonably be expected to exercise Control, and/or is in law responsible;
- (jj) “**Purchaser’s Agent**” means the real estate agent, if any, responsible for introducing the Purchaser to the Vendor (other than one of the Vendor’s sales representatives);
- (kk) “**Registration Agreement**” has the meaning ascribed thereto in Section 7.2(e);
- (ll) “**Related Party**” means:
- (i) with respect to a person, another person who is related by blood or marriage to the first person;
 - (ii) with respect to any other Person (the “**First Person**”):
 - 1) a shareholder, officer, employee, director of the First Person;
 - 2) a Person who is controlled directly or indirectly by a shareholder, director or officer of the First Person;
 - 3) a Person who is controlled directly or indirectly by a person who is related by blood or marriage to any shareholder, director or officer of the First Person;
 - 4) any other Person who is not dealing at arms-length (as such term is used in the Income Tax Act) with the First Person; or
 - 5) any Person who is a related person to the First Person;
- and “**Related Parties**” means more than one Related Party;
- (mm) “**related person**” has the meaning ascribed to it in the *Business Corporations Act*, R.S.O. 1990, c.B. 16;
- (nn) “**Responsible Parties**” means a Person’s family, tenants family, guests, invitees, agents, contractors, employees and licensees and any others for whom the Person may in law be responsible;
- (oo) “**Security Deposit**” has the meaning ascribed to it in Section 5.1(n);
- (pp) “**Statement of Adjustments**” means the statement showing the balance due on the Closing Date, adjusted by the items in Article 5;
- (qq) “**Subdivision Agreement**” means the subdivision agreement entered into by the Vendor and the Municipality to be registered over all or a portion of the Lands;
- (rr) “**System**” has the meaning ascribed thereto in Section 7.2(d);
- (ss) “**Tarion Addendum**” has the meaning ascribed thereto in Page 1 of this Agreement;
- (tt) “**Transaction**” means the purchase and sale transactions contemplated by this Agreement;
- (uu) “**Utilities Suppliers**” means any supplier of or submetering company for water, electricity or gas to the Purchased Dwelling;
- (vv) “**Vendor**” means the vendor as defined in Page 1 of this Agreement. In any section of this Agreement which contains a release or other exculpatory language in favour of the Vendor or an indemnity in favour of the Vendor, the term “**Vendor**” also means the shareholders, directors, officers, servants, employees and agents of the Vendor, a subsidiary of the Vendor, a holding body of the Vendor, an affiliate of the Vendor and any other Person for whom the Vendor is in law responsible;
- (ww) “**Vendor’s Mortgagee**” means the financial or lending institution designated by the Vendor in its sole, absolute and unfettered discretion, which financial or lending institution may be an associate or affiliate or Related Party to the Vendor, to: (i) formally approve the Purchaser for a mortgage loan, if required by the Purchaser, in order to enable the Purchaser to complete the Transaction on Closing on an all cash basis to the Vendor, and which financing shall be secured by way of a first priority mortgage registered against the Purchased Dwelling given by the Purchaser on the Closing Date; or (ii) to confirm to the Vendor that the Purchaser has the financial resources on its own to complete the Transaction on Closing on an all cash basis to the Vendor without any financing;

(xx) "Vendor's Solicitors" means D.C. AUCIELLO, B.A.L.L.B., Barrister and Solicitor or any other law firm designated in writing by the Vendor;

Section 1.2 Tarion Addendum Definitions

The parties acknowledge that the Tarion Addendum and the definitions therein set out are attached hereto as Schedule Tarion and form part of this Agreement as if set out at length herein. Any capitalized terms used herein not expressly defined herein and defined in the Tarion Addendum shall have the meaning ascribed thereto in the Tarion Addendum.

Article 2 PURCHASE PRICE, DEPOSIT

Section 2.1 Deposits

The Deposits, as set forth in Page 1 of this Agreement shall be payable as set out in Page 1 of this Agreement and such Deposits are expressly deemed to be deposits only and not partial payments of the Purchase Price. Provided the Purchaser is not in default under this Agreement, and subject to Section 12.4, the Vendor shall pay or credit the Deposits on account of the Purchase Price for the Purchased Dwelling on Closing.

The Purchaser covenants and agrees to provide to the Vendor all required personal information and documentation pertaining to each of the individuals and/or companies comprising the Purchaser needed to enable the Vendor and/or the Vendor's agent to fully comply with the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act S. C. 2000*, as amended (hereinafter referred to as "FINTRAC"), forthwith upon the Vendor's request for same, including without limitation, the name, current home address, date of birth, and the principal business or occupation of each individual or corporation comprising the Purchaser, along with a copy of a validly issued birth certificate, or an unexpired Canadian or international driver's license, passport, or government-issued record of landing or permanent resident card (together with a copy of government-issued photo I.D. for each individual comprising the Purchaser, or for each officer and director of each company comprising the Purchaser), as well as a copy of the articles of incorporation, a current certificate of status, a current certificate of incumbency, and evidence of the power to bind the corporation to this Agreement, for each company comprising the Purchaser, which may be required to objectively verify the identity of each such individual or corporation.

If any Deposit are provided to the Vendor by (or drawn on the account of) someone other than the Purchaser, then the Purchaser shall also be obliged to forthwith provide the Vendor with all of the foregoing information and documentation pertaining to said other party, as may be required to comply with the provisions of FINTRAC, failing which the Vendor shall be entitled to refuse to accept such deposit monies or deposit cheque, and the Purchaser shall thereupon be considered in breach of its obligations hereunder. The Purchaser further agrees that in the event a Deposit cheque or bank draft is delivered to the Vendor drawn on the account of someone other than the Purchaser, then such bank draft or cheque shall be deemed to be a payment made by such third party as agent for and on behalf of the Purchaser.

Section 2.2 Purchase Price

The balance of the Purchase Price for the Purchased Dwelling shall be payable by the Purchaser by certified cheque or bank draft drawn on the Purchaser's solicitor's trust account to the Vendor's Solicitors, in trust, or as the Vendor may otherwise direct in writing by certified cheque or bank draft on the Closing Date. All adjustments as hereinafter set out in Section 5.1 shall be calculated and paid as of the Closing Date or such other date as the Vendor may in its sole, absolute and unfettered discretion elect.

The Purchaser agrees that on the Closing Date the Purchaser will not for any reason whatsoever request, nor will the Vendor be obligated to permit any holdback of any part of the Purchase Price or any other monies payable by the Purchaser under this Agreement for any reason whatsoever.

Section 2.3 Proof of Financing

The Purchaser represents that the Purchaser has or will have on or before the Closing Date, the financial resources to complete the Transaction on an all-cash basis from the Purchaser's own resources or is capable of obtaining the financing the Purchaser requires from a third party financier in order to complete the Transaction in accordance with the terms and conditions of this Agreement. The Purchaser hereby consents to the Vendor, the Vendor's agents, the Vendor's lenders and/or mortgagees obtaining a consumer report containing credit and/or personal information pertaining to the Purchaser, for the purposes of this Transaction at any time and from time to time after execution of this Agreement by the Purchaser. In addition, the Purchaser shall deliver to the Vendor within 30 days of acceptance of this Agreement by the Vendor, and thereafter within seven (7) days of written request 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:

- (a) written confirmation of the Purchaser's income, and any other financial and personal information, documents, instruments or verifications which may be required or desired by the Vendor, the Vendor's mortgagees, lenders and any/or insurer (if applicable);
- (b) evidence of the source of payments required to be made by the Purchaser in accordance with this Agreement; and
- (c) in those circumstances where the Purchaser requires or desires third party financing to assist the Purchaser in completing the Transaction, a copy of an executed binding and unconditional mortgage commitment, financial term sheet or loan agreement for a loan amount sufficient to complete the purchase Transaction herein on an all cash basis to the Vendor on Closing, issued by the Vendor's Mortgagee or by a third party financial institution or other lender which shall be satisfactory to the Vendor and the Vendor's mortgagee, lenders and insurers in their sole, absolute and unfettered discretion, provided that if the Purchaser intends to obtain financing from a lender other than the Vendor's Mortgagee, the Vendor shall nevertheless have the right to require the Purchaser to obtain (and the Purchaser shall correspondingly be obliged to obtain) mortgage approval for a first mortgage loan directly from the Vendor's Mortgagee, in such amounts as will enable the Purchaser to complete this transaction on an all cash basis to the Vendor on the Closing Date, and to deliver to the Vendor written confirmation of such approval by the Vendor's Mortgagee; or
- (d) if no mortgage is required by the Purchaser, then the Purchaser shall deliver evidence that the Purchaser will have the funds required to close this Transaction,

all of the foregoing to be satisfactory to the Vendor and the Vendor's mortgagees, lenders and insurers, in their sole, absolute and unfettered discretion.

The Purchaser acknowledges and agrees that the aforesaid information has been provided by the Purchaser to the Vendor with the Purchaser's knowledge and consent and such information may be used and disclosed by the Vendor, its agents, advisors, consultants, insurers and lenders for such purposes as the Vendor or any of them may deem appropriate including, without limitation, arranging financing for construction or any other purpose related to the Development or to complete the Transaction. The Purchaser acknowledges and agrees that the aforesaid information may be retained in a file by the Vendor for future reference.

Section 2.4 Failure to Comply with Section 2.3

In the event of any failure of the Purchaser to comply with the provisions of Section 2.3, or if any of the documents provided by the Purchaser pursuant to Section 2.3 is not satisfactory to the Vendor, the Vendor's agents, the Vendor's mortgagees, lenders and/or insurers in their sole, absolute and unfettered discretion, or if any of the information, documentation or evidence submitted by the Purchaser pursuant to Section 2.3 is false, inaccurate or misleading in whole or in part, or if the Purchaser fails to disclose any relevant facts pertaining to the Purchaser's mortgage approval or financial circumstances, resources or abilities, or if the Purchaser was initially approved for a mortgage loan by a third party lender and subsequently such approval is withdrawn or the loan amount reduced at any time prior to Closing, then due to the fact that the Vendor has held the Purchased Dwelling off the marketplace as a result of this Agreement and the Purchaser's unqualified and unconditional agreement and commitment to complete this Transaction on an all-cash basis to the Vendor on the Closing Date, the Purchaser shall be and shall be deemed to be in default of this Agreement, pursuant to which the Vendor shall have the option, exercisable in its sole, absolute and unfettered discretion to elect to either:

- (a) declare this Agreement terminated by giving written notice to the Purchaser or the Purchaser's solicitor at any time prior to the Closing Date, take forfeiture of and retain the Purchaser's Deposits and any Payments for Extras as liquidated damages or otherwise and not a penalty, in addition to and without prejudice to any other remedies that the Vendor may have under this Agreement or at law or in equity as a result of the Purchaser's default or the Purchaser's failure or inability to complete the Transaction on an all cash basis to the Vendor on Closing, and in such circumstances, the Vendor shall not be liable for any costs or damages incurred or suffered by the Purchaser as a result of the termination of the Agreement or in relation thereof; or
- (b) take back a first mortgage from the Purchaser, to be registered on the Purchased Property on the Closing Date for the balance of the unpaid Purchase Price as set out in the Statement of Adjustments provided by the Vendor on the Closing Date (the "VTB Mortgage"). At the sole, absolute and unfettered discretion of the Vendor, the Vendor may charge the Purchaser a mortgage application fee, lender's fee or other administration fees in connection with the giving of the VTB Mortgage which fees shall be paid as an adjustment on Closing and the amount of such fees shall be in the Vendor's absolute unfettered discretion. Such VTB Mortgage shall be for a term of between six (6) months to three (3) years, to be determined by the Vendor in its sole, absolute and unfettered discretion (the "Term"), bearing interest at a fixed annual rate for the Term, which fixed annual rate of interest is to be determined by the Vendor in its sole, absolute and unfettered discretion on or before Closing (the "VTB Interest Rate"). The VTB Mortgage shall be repayable in blended monthly payments of principal and interest based on an amortization period of 25 years, and at the option of the Vendor in its sole, absolute and unfettered discretion, in addition to such amount, 1/12th of the estimated annual realty taxes attributable to the Purchased Dwelling. In addition, the VTB Mortgage shall require that upon the sale, transfer or other disposition or creation of any other mortgages of the Purchased Dwelling, the entire outstanding indebtedness secured by the VTB Mortgage shall, at the option of the mortgagee, become immediately due and payable. The VTB Mortgage may also require all monthly and other payments to be made by post-dated cheques or by pre-authorized payment plan. In the event that the Purchaser is a corporation, the VTB mortgage may require that the officers and/or directors of the corporation personally guarantee the mortgage. In addition to the foregoing, the VTB shall be subject to Standard Charge Terms 200033 filed by Dye & Durham Co., and shall otherwise be on terms and conditions satisfactory to the Vendor in its sole, absolute and unfettered discretion; or
- (c) upon the payment by the Purchaser to the Vendor of an additional Deposit, in an amount and to be paid on a date which is to be determined by the Vendor in its sole, absolute and unfettered discretion, waive such default by the Purchaser, which waiver shall be only with respect to the proof of financing requirement set out in Section 2.3 and shall not constitute a waiver of future or other defaults by the Purchaser.

Section 2.5 Use of Personal Information

- (a) The Purchaser is hereby notified that the Vendor may use and/or retain on file the personal information provided by the Purchaser pursuant to this Agreement for the purpose of contacting the Purchaser in order to provide the Purchaser with a more positive experience in the process of purchasing their new home, and in delivering products and services offered by the Vendor. The Vendor may use the Purchaser's personal information in order to send the Purchaser communications (whether electronic or otherwise) regarding matters that the Vendor thinks may be of interest to the Purchaser.
- (b) The Purchaser hereby consents to the Vendor collecting, using and disclosing the Purchaser's personal information (as such term is defined in the *Personal Information Protection and Electronic Documents Act, S.C. 2000, c.5*, as amended from time to time) including the Purchaser's name, home address, email address, telephone and fax number, age, date of birth, marital status, residency status, social insurance number and financial information, obtained by the Vendor pursuant to and in connection with this Agreement. In addition, the Purchaser consents to the Vendor using, collecting, releasing, and disclosing the Purchaser's personal information to:
 - (i) a company or organization affiliated, associated or a Related Party to the Vendor in order to provide the Purchaser with information relating to this project and other projects of such entities;
 - (ii)
 - (1) the agents, consultants, architects, surveyors, property managers, planners, engineers, trades, solicitors of, or other persons designated by the Vendor; or
 - (2) the agents, consultants, architects, surveyors, property managers, planners, engineers, trades, solicitors of, or other persons designated for a company or organization affiliated, associated or related to the Vendor,
 who are involved in the Development, matters relating to the Development, other development projects of the Vendor, or development projects of companies or organizations affiliated, associated or related to the Vendor;

- (iii) any provider of utilities, services, products, and/or commodities to the Purchased Dwelling (including, without limitation, gas, electricity, water, telephone, HVAC, hot water tank, 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, products and/or commodities to an Owner's Purchased Dwelling;
- (iv) any trades/suppliers who have been retained by or on behalf of the Vendor to complete the Development or the Dwelling or the finishing of the Dwelling or the installation of extras, changes or upgrades ordered by or requested by the Purchaser;
- (v) the Vendor's consultants, lenders, insurers for the purpose of arranging financing, insurance, and bonding to complete the transaction as contemplated by this Agreement;
- (vi) with respect only to name and contact information, the Vendor's sales agents and representatives for the purpose of using same for promotional and marketing purposes; and
- (vii) any Governmental Authority which legally requires the Vendor to provide same.

The information the Vendor gathers may be shared with and by its Related Parties. By executing this Agreement the Purchaser consents to the use of Purchaser's personal information in the manner set out above or as may otherwise be legally allowed.

Section 2.6 Description of Purchased Unit

The Purchaser acknowledges that model suite and/or sales office furnishings, woodwork, trim (including moldings), descriptions of features and finishes, décor, upgrades, appliances, artist's renderings, unit layout sketches, scale model(s), improvements, mirrors, drapes, tracks, samples and wall coverings and all Marketing Materials, whether attached to this Agreement or not, are for display purposes only and are not included in the Purchase Price and the Purchased Dwelling, unless expressly specified in Schedule "1".

Section 2.7 HVAC Rental

If not specifically included in Schedule "A" hereto, the Purchaser acknowledges and agrees that the Purchaser may be required to enter into or assume a rental contract relating to certain HVAC equipment including but not limited to a hot water tank and furnace with the owner of such HVAC equipment which is supplied to the Dwelling. The rental fees for such HVAC equipment shall be payable by the Purchaser as and when required pursuant to such rental contracts. It shall be a condition of Closing that the Purchaser execute and deliver to the Vendor such documents and agreements in relation to the rental of the HVAC equipment provided in the Purchaser's Dwelling as may be required by the Vendor, within 5 days of receipt of such documents and agreements by the Purchaser from the Vendor. The Purchaser acknowledges and agrees that any rebates, bonuses or other consideration which may be paid by the owner of rental HVAC equipment provided to the Development or the Dwellings shall be remitted to the Vendor and the Purchaser shall have no entitlement to any such rebate, bonus or consideration.

Article 3 CLOSING DATE

Section 3.1 Closing

The Closing Date shall be set by the Vendor pursuant to the Tarion Addendum, and such Closing Date may be accelerated or extended in the sole, absolute and unfettered discretion of the Vendor, provided that such acceleration and extension shall be in accordance with the Tarion Addendum and shall otherwise be at least 14 days after the date stipulated in a written notice (the "Notice") from the Vendor or the Vendor's Solicitor to the Purchaser or the Purchaser's solicitors.

Section 3.2 Substantial Completion

On the Closing Date, the Transaction shall be completed without holdback by the Purchaser (who shall be deemed to be a "home buyer" pursuant to the provisions of the Construction Act, R.S.O. 1990, c. C.30 as amended from time to time) of any amount and the Purchaser will not claim any lien holdback on the Closing Date, notwithstanding that the Vendor has not fully completed the Development and the Vendor shall complete such outstanding work within a reasonable time after Closing, having regard to weather conditions, strikes, lockouts, and the availability and supply of labour and materials. In any event, the Purchaser acknowledges that failure to complete the Development on or before Closing shall not be deemed to be a failure to complete the Purchased Dwelling.

Article 4 EXTENSIONS AND FORCE MAJEURE

Section 4.1 Extension of Critical Dates

The Critical Dates may be extended in accordance with the terms of the Tarion Addendum, which includes extension provisions due to Unavoidable Delay.

Section 4.2 Extension of Closing Date

If the condition in Section 8.1 has not been complied with within the time period limited therefor, then the Vendor may in its sole, absolute and unfettered discretion extend the Closing Date for one or more periods of time, not to exceed 24 months in total and the Purchaser hereby consents to same.

Section 4.3 Vendor Not Liable for Costs, etc.

Notwithstanding anything contained to the contrary in this Agreement, it is understood and agreed by the Purchaser, that in the event the Vendor: (i) invokes the extension provisions of Section 4.1 and/or Section 4.2, at any time or times; and/or (ii) fails to provide any notice of extension of the Closing Date in accordance with the provisions of this Agreement, then the Vendor shall not be responsible or liable for reimbursing the Purchaser for any fees, costs, charges, expenses, fines, interest, penalty, claims, actions, injuries, liabilities, damages (including without limitation, incidental, direct, indirect, special, consequential or otherwise) and losses whether indemnified against or not, sustained, suffered, incurred, paid or payable, directly or indirectly by the Purchaser, as a result of the Vendor invoking the extension provisions of Section 4.1 and/or Section 4.2 and/or failing to provide any notice of extension of the Closing Date and under no circumstances shall the Purchaser be entitled to terminate this transaction or otherwise rescind this Agreement as a result thereof, save and except for any compensation set out in the Tarion Addendum.

Article 5 ADJUSTMENTS

Section 5.1 Adjustments to the Purchase Price

The Purchase Price shall be adjusted on the Closing Date with the day of Closing apportioned to the Purchaser (or adjusted on such other date as may be determined by the Vendor) as to all prepaid or accrued expenses/charges, levies and other items required by the terms of this Agreement to be adjusted, and which items shall include, without limiting the generality of the foregoing, the following:

(a) Realty Taxes

realty taxes (including local improvement rates pursuant to the *Local Improvement Charges Act*, and/or the *Municipal Act*, if any) and assessment rates on the Purchased Dwelling shall be apportioned and allowed to the Closing Date.

Realty taxes may be estimated by the Vendor as if the Purchased Dwelling has been assessed by the relevant taxing authority, as fully completed by the Vendor for the calendar year in which the transaction is completed, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that same may not, by the Closing Date, have been levied, assessed or paid, subject however, to readjustment upon the actual amount of such taxes being ascertained. Notwithstanding the foregoing, the Vendor shall not be obliged to make any readjustment of the foregoing amount in the event that such readjustment is equal to or less than \$150.00. The Purchaser shall, on the Closing Date, pay and/or reimburse the Vendor for the Purchaser's Proportionate Share for any realty taxes required to be paid by the Vendor to the Municipality for the balance of the year in which the Closing Date occurs and/or the succeeding year after Closing. The payment of realty taxes levied against the Lands, until such time as taxes are levied against the Purchased Dwelling, shall be the responsibility of the Purchaser in accordance with the Purchaser's Proportionate Share.

The Purchaser agrees that the amount estimated by the Vendor on account of municipal realty taxes attributed to the Purchased Dwelling shall be subject to recalculation based upon the real property tax assessment or reassessment of the Dwellings and/or the Development issued by the Municipality after the Closing Date and the municipal tax rate in effect as at the date such assessment or reassessment is issued. In the event that there is a supplementary assessment received at any time, including after the Closing Date, relating to any period of time on or after the date this Agreement is executed by the Purchaser, the Purchaser shall be responsible for paying the full amount of all such supplementary assessment.

The Purchaser also covenants and agrees that after the Final Closing of the Transaction, the Purchaser shall be obliged to forthwith deliver to the Vendor a copy of the final realty tax bill, all assessment notices, and supplementary tax bills issued in respect of the Purchased Dwelling, issued in respect of the Purchased Dwelling for any portion of the calendar year in which the Closing Date has occurred so received by the Purchaser from the tax department of the local municipality, and proof of payment thereof by the Purchaser which shall be satisfactory to the Vendor in its sole, absolute and unfettered discretion, forthwith following the Purchaser's receipt of same and in any event before the earlier of: (i) 60 days prior to the expiry of the appeal period applicable to such assessment of realty taxes; and (ii) 30 days following the Purchaser's receipt of such assessment notices, supplementary tax bills or final realty tax bill. Where the Vendor believes that there is an error in any of the tax assessments or bills attributable to the Purchased Dwelling, then: (1) the Purchaser shall deliver an irrevocable authorization and direction and such other documents as may be required by the Vendor, in the form provided by the Vendor executed by the owner of the Purchased Dwelling and addressed to the applicable municipal tax department and to the Municipal Property Assessment Corporation, authorizing the Vendor to commence and pursue an appeal of the realty tax assessment in respect of the Purchased Dwelling on behalf of the Purchaser or the owner of the Purchased Dwelling. Any refunds ultimately issued by the municipality pursuant to such appeal shall be considered a payment to the Purchase made by or on behalf of the Vendor in connection with the overall adjustment of realty taxes between the Purchaser and the Vendor. Any penalties or interest charges owing as a result of late payment or non-payment of any realty taxes shall be for the sole account of the Purchaser. Any re-adjustment of realty taxes between the Purchaser and the Vendor shall be completed forthwith following the results of the appeal (if any) of realty taxes attributable to the Purchased Dwelling;

(b) Applicable Taxes

an adjustment in the Vendor's favour for that portion of HST to be paid by the Purchaser pursuant to Section 7.5, if any, and the amount of any Applicable Taxes or increases in the rates of any Applicable Taxes relating to the sale of the Purchased Dwelling;

(c) Development Charges

payment to the Vendor of any new, or increases made after the date of the Agreement of Purchase and Sale in any levy, payment, contribution, charge, fee or assessment, including without limitation: development charges, public art contributions, impost charges or any other charges, required, assessed, charged or imposed by the Municipality, a regional municipality, a transit authority, or any other authority having jurisdiction under the *Development Charges Act*, 1997, S.O. 1997, c. 27, the *Planning Act*, R.S.O. 1990, as amended from time to time, and any other existing or new legislation, bylaw and/or policy of a similar nature, (notwithstanding that such development charges may be paid prior to the year of the Closing Date) (collectively, the "Levies"), assessed against or attributable to a Purchased Dwelling; and if any of the foregoing is assessed, charged or imposed against the Development as a whole, then the Purchaser shall pay the Vendor the Purchaser's Proportionate Share of the foregoing, provided however that the Levies shall not be duplicative of the charges described in Section 5.1(d)-(f) below;

(d) Education Development Charges

payment to the Vendor of any new or any increases after the date in which this Agreement is executed in any levy, payment, contribution, charge, fee or assessment, required, assessed, charged or imposed by the public or separate school board or any other Governmental Authority, in connection with the development of the Development, pursuant to the *Education Act* (Ontario) and any other existing or new legislation, bylaw and/or policy of a similar nature (notwithstanding that such charges may be paid prior to the year of the Closing Date) assessed against or

attributable to the Purchased Dwelling (the “**Education Levy**”); and if any of the foregoing is assessed, charged or imposed against the Development as a whole, then the Purchaser shall pay the Vendor the Purchaser’s Proportionate Share of the foregoing;

(e) Parkland Dedication

payment to the Vendor of any new or increases after the date in which this Agreement is executed in any levy, payment, contribution, charge, fee or assessment relating to parks, parkland dedication, or lands conveyed for public recreational purposes, pursuant to or under the *Planning Act R.S.O. 1990* as amended from time to time, or imposed by the Municipality, regional municipality, or any other authority having jurisdiction under the *Planning Act R.S.O. 1990* (the “**Parkland Levy**”), assessed against or attributable to the Purchased Dwelling; and if any of the foregoing is assessed, charged or imposed against the Development as a whole, then the Purchaser shall pay the Vendor the Purchaser’s Proportionate Share thereof;

(f) Section 37

payment to the Vendor of any new or increases after the date in which this Agreement is executed in any levy, payment, contribution, charge, fee assessment, or value of lands conveyed for public recreational purposes, pursuant to a section 37 Agreement under the *Planning Act R.S.O. 1990* as amended from time to time, or imposed by the Municipality, regional municipality, or any other authority having jurisdiction under the *Planning Act R.S.O. 1990* (the “**Section 37 Levy**”), assessed against or attributable to the Purchased Dwelling; and if any of the foregoing is assessed, charged or imposed against the Development as a whole, then the Purchaser shall pay the Vendor its Proportionate Share thereof;

(g) Law Society Levy

payment to the Vendor of the cost of the Law Society of Ontario real estate transaction levy surcharge or any other levy, surcharge, charge, charged by any entity to a lawyer or firm that acts for one or more parties on a real estate transaction;

(h) New Home Warranty

payment to the Vendor of the cost of enrolling the Purchased Dwelling under ONHWPA or Ontario New Home Warranties Plan Act as administered by Tarion or any successor administrative body or organization, together with any provincial or federal taxes exigible with respect thereto;

(i) Utilities, Servicing, and Metering

in the event that the Vendor, as a pre-requisite to the procurement and provision of continuous utility service(s) or metering services to the Development, is required to pay or provide the local public utility authority or any other service provider or metering company (for hydro/electricity, gas and/or water) with security, including without limitation, cash security or a letter of credit (hereinafter the “**Utility Security Charge**”), then in such circumstances the Vendor shall be reimbursed by the Purchaser for its Proportionate Share of the Utility Security Charge. The Vendor shall also be reimbursed by the Purchaser in its Proportionate Share for the cost of all utilities meters, the installation of such meters (including without limitation hydro/electricity, water, and gas); sanitary and sewer related charges including without limitation, water and sanitary and sewer service connection charges; gas service installation and connection charges including the cost of piping, (if made available by the Vendor); cooling and transformer installation, and other installation, connection and/or energization charges to the Development, any part thereof and/or the Purchased Dwelling; provided that, if the charge is on a per Dwelling basis, the Purchaser shall pay the amount charged to the Purchased Dwelling. A letter from the Vendor confirming the foregoing charges of this Section 5.1(i) shall be conclusive, final and binding on the Purchaser absent manifest error. The Vendor shall be entitled to retain any rebates issued or paid by any utility/service provider or by any entity supplying the various equipment to the Purchased Dwelling, even though such equipment may be of a rental/leased nature, and the Purchaser expressly acknowledges that the Vendor shall not be required to pay or adjust any such rebate to the Purchaser. The Purchaser agrees to execute and deliver forthwith upon receipt, any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor’s entitlement to any such rebate. Subsequent to Closing and prior to the 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 Purchased Dwelling and neighbouring lands by such alternate utility suppliers and any costs incurred by the Vendor to restore the Purchased Dwelling and neighbouring lands to the original state provided by the Vendor.

(j) Utility Consumption

payment to the Vendor of the fees, costs, and charges (including, without limitation, any rental, security deposit, administration, commodity and non-commodity fees/charges) for any hydro/electricity, water, and gas services and/or monitoring of consumption of same with the Purchaser being responsible for such fees, costs, and charges from and after the Closing Date.

(k) Administrative Fees

the Purchaser shall pay to the Vendor, in addition to the Purchase Price and all other adjustments listed in this Section 5.1, on the Closing Date, the following:

- (i) the greater of \$300.00 Dollars plus Applicable Taxes and the amount charged by a lender to obtain discharges or partial discharges for mortgages registered against title to the Land or any part thereof not to be assumed by the Purchaser;
- (ii) \$250.00 Dollars plus Applicable Taxes for any cheque delivered to the Vendor or the Vendor’s solicitor and not accepted for payment by either of their banks for any reason;
- (iii) \$150.00 Dollars plus Applicable Taxes for any cheque in the possession of the Vendor that the Vendor permits to be exchanged for a replacement cheque, or deposited on a later date than the date indicated on the face of said cheque; and
- (iv) \$500.00 Dollars plus Applicable Taxes for each extension to the Closing Date requested by or on behalf of the Purchaser and approved by the Vendor in its sole, absolute and unfettered discretion, in addition to interest as specified in Section 12.4. The Purchaser acknowledges and agrees that the Vendor shall have no obligations to approve any such request;
- (v) in an amount to be determined by the Vendor, such lender’s fee or other administration fees in connection with the giving of the VTB Mortgage as may be charged by the Vendor as set out in Section 2.4(b);

(l) Extras

payment to the Vendor of the price charged by the Vendor plus all Applicable Taxes for all extras, upgrades or changes for or to the Purchased Dwelling not provided for in Schedule “A” which are requested by the Purchaser and agreed to by the Vendor and which are unpaid for by the Purchaser, plus Applicable Taxes;

(m) Chattels

if there are chattels provided by the Vendor to the Purchaser as part of this Transaction, then the allocation of the value of such chattels shall be estimated, if required, by the Vendor and any Applicable Taxes thereon may, at the option of the Vendor, be collected by the Vendor and remitted to the applicable taxing authority on Closing, or may be collected by the Vendor at the time an extra or upgrade is ordered by the Purchaser;

(n) Security Deposit

the Purchaser shall pay \$1,000.00 on Closing, to the Vendor, to apply to the Purchaser’s grading and subdivision service damage covenants set out in this Agreement (the “**Security Deposit**”);

(o) Recycling

any fee paid by the Vendor to the Municipality with respect to “blue boxes” or other recycling programs shall be reimbursed to the Vendor on Closing;

(p) Aesthetic Enhancement and Tree Planting

payment to the Vendor for any charges incurred by the Vendor in connection with the community landscaping, grading, retaining walls and/or fencing for landscaping the Lands of the Purchased Property in accordance with the requirements of the Municipality, including planting of trees and/or shrubs and/or bushes on the Purchased Property or the adjacent boulevards, wherever applicable. In the event such changes are ascertained against the development as a whole, then the Purchaser shall pay the Vendor its proportionate share thereof.

(q) Mailbox

any fee paid by the Vendor to Canada Post for the provision of mail delivery services to the Purchased Dwelling by way of a central mailbox shall be reimbursed to the Vendor on Closing;

(r) Survey

any costs incurred by the Vendor relating to the survey of the Purchased Property, if such survey is obtained by the Vendor. The Purchaser acknowledges and agrees that the Vendor shall have no obligation to provide a building location survey for the Purchased Property;

(s) Driveway Paving

payment to the Vendor in the amount of \$950.00 (Single Car) or \$1,250.00 (Double Car) plus Applicable Taxes for driveway paving of the Purchased Dwelling. However, the Purchaser is advised that the foregoing amounts are estimates only and may be increased once the actual costs are ascertained by the Vendor closing to the date that the paving occurs; and

(t) Other Adjustments

any other adjustments contemplated by this Agreement.

If any of the adjustments to be made on the Closing Date cannot be accurately determined at the Closing Date, then the Vendor may estimate the adjustment to be made. There shall be a later and final adjustment when all the items to be adjusted can be accurately determined by the Vendor. The Purchaser agrees with the Vendor to pay all monies payable under this Agreement in the manner directed by the Vendor or the Vendor’s Solicitors.

Article 6 TITLE

Section 6.1 Permitted Encumbrances

The Purchaser agrees to comply with and accept title to the Purchased Dwelling subject to all the restrictions, encumbrances, rights and easements registered or to be registered hereafter against the Development and the Purchased Dwelling including but not limited to the following:

(a) Agreements with Governmental Authorities

agreements with publicly regulated utilities, agreements with local ratepayer associations, subdivision agreements, development agreements, site plan agreements, Section 37 agreements, lot drainage and occupancy agreement, by-laws, restrictions (which restrictions may include the power to waive or vary), restrictive covenants, regulations, encroachment agreements, easements or municipal, servicing, or any other agreements with any Governmental Authorities or such other documents as may be required by any Governmental Authorities which may now or hereafter be entered into;

(b) Maintenance

servicing agreement, cost sharing or reciprocal operating agreement, financial agreement, encroachment agreement and security agreement and any agreement or other instrument containing provisions relating to the use, development, installation, maintenance, operation, use, repair of facilities, services, recreational areas, amenities, common areas, party walls, parking, maintenance right of ways, utilities or the erection of a building or other improvements in or on the Development and which may now or hereafter be registered on title to the Development, including, without limitation the Purchased Dwelling, including the acceptance of those warning clauses included in Schedule "C" hereof, which the Purchaser by executing this Agreement acknowledges having been advised of;

(c) Utilities and Services Agreements

all agreements, easements, licenses and rights which may now or hereafter be required by any Governmental Authority, the Vendor, or any other Person for the installation and maintenance of public and private utilities and other services, including without limitation, telephone lines, hydro-electric lines, gas mains, water mains, sewers and drainage, cable TV, satellite, internet and other services. The Purchaser covenants and agrees:

- (i) to consent to the granting of any such easements, acknowledgements, consents, licences, rights, and other documents; and
- (ii) to execute and deliver all documents and do all other things requisite for this purpose.

(d) Adjoining Lands

all easements or rights of way which may be required or granted to or any encroachment, easement, right of way, licence or agreement for the installation and maintenance of any tieback, underpinning, construction or similar arrangement with any adjoining, adjacent or other land owner, or adjoining lands;

(e) Re-Entry

the right of the Vendor, any Governmental Authority or any utilities or service provider and its or their servants, agents, representatives, sub-contractors and employees, to enter, inspect and install grading, drainage, catch basins, storm sewers, services, equipment, and utilities and to maintain and repair same, and for purposes of completing construction of the Development and complying with its obligations pursuant to any agreement with any Governmental Authorities;

(f) Restrictive Covenants

any restrictive covenants, warning clauses, notices or restrictions affecting the Development, and the Purchaser agrees to comply with same and any such restrictive covenants and building restrictions may be contained in the transfer to the Purchaser;

(g) Equipment

any conditional sales agreements, notices or other agreements relating to security interests and any rental or leased equipment in or benefiting the Purchased Dwelling or the Development;

(h) Unpaid Utilities

unregistered or inchoate liens or unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired) without any claim or request by the Purchaser for any utility holdback(s) or reduction, abatement or other credit against the Purchase Price or claim for compensation whatsoever, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Property (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Closing Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(i) Mortgages

any mortgage or mortgages as provided for in this Agreement including but not limited to those mortgage set out in Section 2.4 and Section 6.2 hereof;

(j) Development

any easement, right of way or other agreement in favour of the Vendor and any successor in title to facilitate development of and access to any adjoining lands;

(k) Land Registry Office Orders

any Land Registrar's order(s) that has been registered on title to correct the legal description of the Lands (or any portion thereof) or any reference(s) to any prior registered instrument(s), or to alter, correct or affect any other notation on the parcel register; and

(l) Miscellaneous

any other agreements which may be necessary for the operation of the Development and rights, licenses, rights-of-way and agreements which may now or hereafter be registered against title to the Development,

(all of the foregoing in this Section 6.1 are collectively the "Permitted Encumbrances".)

The Purchaser acknowledges and agrees that the Vendor shall not be obliged to obtain or register on title to the Development a release of (or an amendment to), discharge of, letters of compliance or delete off title of the Purchased Dwellings any of the Permitted Encumbrances. The Purchaser shall do whatever the Purchaser may deem necessary to satisfy himself as to the Vendor's compliance with the provisions of any such Permitted Encumbrances.

In the event that the Vendor is not the registered owner of the Purchased Dwelling, the Purchaser agrees to accept a conveyance of title from the registered owner together with the owner's title covenants in lieu of the Vendor's.

The Vendor shall be entitled to insert in the Transfer/Deed of Land specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein. In such case, the Vendor may require the Purchaser to execute a separate written covenant pertaining to such restrictions, easements, covenants, or agreements referred to in this Agreement and in such case the Purchaser agrees to execute such written covenant prior to the Closing Date and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Purchased Unit.

After any transfer of title to the Purchased Dwelling by the Vendor to the Purchaser, if it shall be necessary or expedient in the opinion of the Vendor, the Purchaser shall execute all documents, without payment by the Vendor, which may be required to convey or confirm such easements, licences and rights as hereinafter provided and shall extract a similar covenant in any agreement entered into between the Purchaser and any Assignee.

Section 6.2 Encumbrances Not Being Assumed

The Purchaser acknowledges that on the Closing Date, the Development and the Purchased Dwelling may remain encumbered by one or more mortgages, charges, debentures, trust deeds, notices (the "Encumbrances") which the Purchaser is not to assume. The Purchaser agrees, notwithstanding the registration of such Encumbrances on title as at the Closing Date, to take possession and title of the Purchased Dwelling and to pay all closing proceeds in accordance with the terms of this Agreement and notwithstanding the registration of such Encumbrances on title as at the Closing Date, to close the Transaction and to accept only the Vendor's or the Vendor's Solicitors' undertaking to register good and valid discharges or releases of or from said Encumbrances within a reasonable time after Closing, as determined by the Vendor. The Vendor's Solicitors may also deliver on Closing the appropriate direction regarding payment of funds with respect to such Encumbrances. The provisions of this section shall not merge on the Closing.

Section 6.3 Building Permits

The Purchaser hereby expressly acknowledges and agrees that on Closing, one or more building permit issued by the municipal building department in connection with the construction and completion of the Development may not be closed, but rather may still be open or active in light of the fact that some exterior and/or interior finishing work maybe ongoing or still outstanding with respect to Dwellings in the Development including without limitation the Purchased Dwelling, but so long as there is no outstanding work order or no formal notice of any outstanding violation or deficiency issued by the municipal building department in respect of the Purchased Dwelling then the Purchaser shall be expressly obliged to complete this Transaction as and when scheduled, notwithstanding the existence of one or more open or active building permits in respect of the Development (or any portion thereof), and without requesting any abatement in the Purchase Price or any holdback of any purchase monies whatsoever in connection herewith or as a consequence thereof, and without making or pursuing any claim or demand against the Vendor whatsoever with respect thereto, and the Purchaser shall not be entitled to submit any requisitions (nor request any action by, or relief from, the Vendor or any other party) with respect to same or arising therefrom.

Section 6.4 Title Search

- (a) Provided that the title is good and free from all encumbrances or is an insurable title with any title insurer, except the Permitted Encumbrances set out in Section 6.1 of this Agreement and the Encumbrances set out in Section 6.2 and those otherwise in this Agreement required to be accepted by the Purchaser, the Purchaser is not to call for the production of any title deed, survey, grading certificates, occupancy permits or certificates, abstract or other evidence of title or occupiability of the Purchased Dwelling. The Purchaser is to be allowed until thirty (30) days before the Closing Date, to examine the title at his own expense. If within that time, any valid objection to title is made in writing to the Vendor or the Vendor's Solicitor which the Vendor shall be unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void whereupon the Deposits, not including any amounts paid by the Purchaser for upgrades or extras, shall be returned to the Purchaser subject to the provisions of this Agreement, and the Vendor shall not be liable for any fees, costs, charges, expenses, fines, interest, penalty, claims, actions, injuries, liabilities, damages and losses whether indemnified against or not, sustained, suffered, incurred, paid or payable, directly or indirectly by the Purchaser.
- (b) Notwithstanding anything herein contained, or in the *Land Titles Act, R.S.O. 1990, c. L.5*, and any amendments thereto or any successor legislation, where any mortgages, charges or debentures are registered on title and where discharges, cessations, partial discharges or partial cessations thereof are tendered for registration in the appropriate Land Titles office, such mortgages, charges or debentures shall be deemed to be discharged for all purposes once the discharges, cessations, partial discharges or partial cessations have been accepted for registration, notwithstanding that the Parcel Register has not been signed and certified to reflect such registration and notwithstanding any statutory terms to the contrary as contained in the *Land Titles Act, R.S.O. 1990, c. L.5* as amended from time to time and any successor legislation.
- (c) Save as to any valid objection so made within the time provided in Section 6.4(a) or any objections going to the root of title, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Purchased Dwelling. The Purchaser further acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions.

Section 7.1 Manner of Purchaser's Title

- (a) When requested by the Vendor or the Vendor's Solicitor, the Purchaser shall deliver to the Vendor an irrevocable direction to the Vendor indicating and confirming the manner in which the Purchaser wishes to take title to the Purchased Dwelling (which direction shall be subject to the consent of the Vendor pursuant to Section 9.6) including the full names, date of birth, social insurance number, and marital status of each person taking title to the Purchased Dwelling and supported by a copy of their respective birth certificates, if so requested by the Vendor, and any additional documents required under this Agreement including without limitation the documents required under Section 7.5. It is further understood and agreed that if the Purchaser fails to deliver the irrevocable direction when requested by the Vendor or the Vendor's Solicitor, then the Purchaser shall be deemed to have agreed to accept title to the Purchased Dwelling in the name(s) that the Purchaser is identified or described in this Agreement (or in any amending agreement or addendum thereto), and the Purchaser agrees to accept the conveyance in such manner and will be bound thereby and shall be estopped from requiring any changes to the manner in which title is to be taken. Notwithstanding the foregoing, the Vendor in its sole, absolute and unfettered discretion may approve the Purchaser's request for changes (subject to Section 9.6) to the manner in which title is to be taken made after the time and date stipulated by the Vendor or the Vendor's Solicitors. Any such changes made after the time and date stipulated by the Vendor and approved by the Vendor shall be subject to the payment by the Purchaser of Five Hundred Dollars (\$500.00) plus Applicable Taxes as an administrative fee to the Vendor for not providing the required title information as and when required by the Vendor.
- (b) The Purchaser agrees to accept a transfer of the Purchased Dwelling from the registered owner of the Purchased Dwelling, as directed by the Vendor, and the Purchaser agrees to provide and execute and deliver on Closing, whatever indemnities, assurances and other documentation that may be required by the Vendor in order to transfer title as aforesaid.

Section 7.2 Tender of Documents, Payment of Purchase Price and Electronic Registration

- (a) The Vendor and the Purchaser waive personal tender and agree that tender of any documents or money may be made upon the solicitor acting for the Vendor or Purchaser. Delivery of documents not intended for registration on title may be delivered to the Vendor's Solicitors and Purchaser's solicitor by fax transmission or electronic mail. Payments shall be tendered by certified cheque or bank draft drawn upon the trust account of the Purchaser's solicitor maintained at any Canadian chartered bank or trust company, to the Vendor's Solicitors. In the event that a bank draft is delivered for all (or any part of) the balance of the purchase monies due on closing, instead of a certified cheque drawn on the Purchaser's solicitor's trust account, then the Vendor and the Vendor's Solicitors shall not be obliged to accept such bank draft unless and until it is also accompanied by a letter from the Purchaser's solicitor confirming that all funds used to purchase or acquire said bank draft emanated from the Purchaser's solicitor's trust account maintained at or with a Canadian chartered bank or trust company, and not from the bank account of the Purchaser or any third party who is not a solicitor, and that the bank draft was issued by the Purchaser's solicitor's bank (and not the bank of any other person who is not a solicitor). Where any such money is paid by a direct deposit, the Purchaser shall cause the Purchaser's solicitor to deliver a copy of the certified cheque or bank draft together with a receipt of deposit and a copy of the withdrawal/debit slip for the amount of the bank draft or certified cheque, to the Vendor's Solicitors and the Purchaser hereby indemnifies and saves harmless and shall cause the Purchaser's solicitor to indemnify and save harmless the Vendor and the Vendor's Solicitors with respect to any Costs as a result of those monies not being paid to the Vendor or the Vendor's Solicitors, for any reason whatsoever. Notwithstanding the foregoing, if so directed by the Vendor's Solicitors, the Purchaser shall cause the Purchaser's solicitor to pay the balance of the Purchase Price by the use of a bank wire transfer through the Large Value Transfer System ("LVTS"). Furthermore, if directed by the Vendor or the Vendor's Solicitors, the Purchaser shall cause the Purchaser's solicitor to register in and use the Closure Funds Management Service operated by Teranet Enterprises Inc. or any similar service then being operated and in which the Vendor is registered.
- (b) In the event that the Purchaser or the Purchaser's solicitor indicates or expresses to the Vendor or the Vendor's Solicitor, on or before the Closing Date, that the Purchaser is unable or unwilling to complete the sale, the Vendor, at its sole option, will be relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's solicitor and at the Vendor's sole discretion deem same to constitute an anticipatory breach by the Purchaser and the Vendor may at its sole discretion exercise forthwith any and all of its rights and remedies provided for in this Agreement, in equity or at law.
- (c) Notwithstanding anything contained to the contrary in this Agreement, as the System (as hereinafter defined) is operative and mandatory for the Development, 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 to the Purchaser's solicitor in accordance with the provisions of this Agreement and the Registration Agreement (as hereinafter defined), if applicable, and keys are made available to be picked up by the Purchaser from the Vendor's sales office or such other location as determined by the Vendor in its sole, absolute and unfettered discretion, provided that if the release has been authorized after 5:00pm, then the Purchaser shall not be able to pick up same until the next Business Day in which the Vendor's sales office or such other location determined by the Vendor in its sole, absolute, and unfettered discretion, is open; (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) completed all steps required by the System in order to complete this Transaction which can be performed or undertaken by the Vendor's Solicitor without the co-operation or participation of the Purchaser's solicitor, all without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents and without any requirement to have an independent witness evidence the foregoing. For greater certainty, the Purchaser acknowledges and agrees that any statements, affidavits, filings and payments required to be made by purchasers of real property to the Ministry of Finance, Land Registry Office or any other Governmental Authorities in relation to land transfer tax, the non-resident speculation tax, or the registration of the Transfer, or any other matter in relation to the transfer of real property, shall be the sole obligation and responsibility of the Purchaser and a valid tender by the Vendor shall be deemed to have been made once the Vendor has completed Section 7.3(c) (i) through (iii) inclusive as aforesaid, even if the Vendor is unable to sign an electronic transfer for completeness and release as a result of missing or incomplete information which are the responsibility of the Purchaser to provide or complete. The Vendor is hereby allowed a one-time unilateral right to extend the Closing Date by one Business Day to avoid the necessity of tender where a Purchaser is not ready to complete the Transaction on the Closing Date. The Vendor agrees that it will not impose any fee or interest charge on the Purchaser with respect to such extension.
- (d) As an electronic registration system under Part III of the *Land Registration Reform Act*, R.S.O. 1990 C.L. 4, as amended (the "System") is operative and mandatory in the applicable Land Titles Office in which the Land is registered, the Purchaser agrees to do all things necessary and as may be requested or required by the Vendor or the Vendor's Solicitor to complete this Transaction using the System. The Purchaser acknowledges that: (i) the System is an electronic, paperless land registration system that no longer relies on signatures for such documents as a transfer/deed of land; (ii) the Purchaser and the Purchaser's solicitor will not be entitled to receive the transfer/deed of land unless the balance of the Purchase Price due on Closing in accordance with the Vendor's Statement Of Adjustments is received by the Vendor's Solicitors (either by certified cheque via personal delivery, electronic funds transfer or such other manner as the Vendor's Solicitors may authorize or direct) by 2:00 p.m. on the Closing Date; and (iii) the delivery and exchange of documents and money shall not occur contemporaneously with the registration of the transfer/deed of land, but will be governed by the Registration Agreement (as hereinafter defined).
- (e) As the System is operative, it will therefore be necessary for the Purchaser to, and the Purchaser hereby agrees: (i) to retain a lawyer authorized to use the System and who is in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the Transaction; (ii) to authorize and direct such lawyer to enter into the Vendor's Solicitor's standard form of escrow closing agreement (the "Registration Agreement") which will establish the procedures for closing the Transaction and which shall be executed by the Purchaser's solicitor and returned to the Vendor's Solicitor at least five (5) days prior to the Closing Date, or such other time and date as may be required by the Vendor's Solicitor; and (iii) that if the Purchaser's solicitor is unwilling or unable to complete this Transaction under the System, then the Purchaser's solicitor must attend at the Vendor's Solicitor's office or at another location as designated by the Vendor's Solicitor, at such time on the Closing Date as directed by the Vendor's Solicitor to complete the Transaction under the System utilizing the Vendor's Solicitor's (or agent's) computer facilities and in each such case to pay to the Vendor's Solicitor an administrative fee of Five Hundred Dollars (\$500.00) plus Applicable Taxes as required.
- (f) Should the Purchaser's solicitor or Vendor's Solicitor fail to execute and deliver the Registration Agreement to the other solicitor by the prescribed time set out in Section 7.2(e), then the said solicitor who fails to execute same shall nevertheless be bound by and be obliged to comply with the provisions of the Registration Agreement as described above.
- (g) If the Purchaser is not ready, willing or able to complete the final Closing of this Transaction by delivering all required documents and certified funds to the Vendor's solicitors by 2:00 p.m. on the scheduled Final Closing Date, and the Purchaser or the Purchaser's solicitor correspondingly requests or requires an extension of the Final Closing Date in order to avoid or delay being tendered upon as a consequence of such default, then in the absence of any subsequent written agreement to the contrary executed by the parties hereto or by their respective solicitors, any such extension that is agreed to by or on behalf of the parties hereto shall correspondingly entitle the Vendor to charge interest on a per diem basis for every day of the agreed-upon extension period, at the rate of 12% per annum, calculated annually not in advance, calculated and accruing on the entire outstanding amount of money that is due and owing or otherwise payable on said Final Closing Date, and the Purchaser's failure to remit a certified cheque made payable to the Vendor's Solicitors for all such accrued interest, in addition to a certified cheque for the entire balance of the monies otherwise due and owing (or to include such accrued interest amount with the certified cheque for the entire balance of the monies otherwise due and owing) on the agreed-upon extended Final Closing Date shall automatically entitle the Vendor and the Vendor's Solicitors to refuse to complete this Transaction and to refrain from electronically releasing the deed/transfer of title to the Purchased Dwelling to the Purchaser's solicitor on the final Closing of this Transaction. 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 set forth in this section, and the Vendor will upon request deliver to the Purchaser for registration at the Purchaser's expense a release of the Vendor's lien after such monies have been received by the Vendor.

Section 7.3 Delivery of Documents

- (a) The Purchaser shall execute and deliver to the Vendor, on or before 2:00pm on the the Closing Date, as required by the Vendor, all documents as may be required by the Vendor in order to allow occupancy of the Purchased Dwelling, and the Closing of this transaction, including, without limitation, the execution of the transfer by the Purchaser, the execution and delivery of a form of purchaser's acknowledgement and undertaking as may be required in the sole, absolute and unfettered discretion of the Vendor; and a statutory declaration and other evidence as may be required by the Vendor, confirming that there are no judgments or executions outstanding against the Purchaser.
- (b) The Purchaser shall execute and deliver on or before 2:00pm on the Closing Date, one or more covenants or agreements incorporating the terms of this Agreement or such other terms as the Vendor may require arising out of this Agreement, and the Vendor may include in the transfer to the Purchaser any one or more of the terms and conditions herein contained and the Purchaser consents to same.
- (c) The Purchaser agrees to be bound by the terms of the *Electronic Commerce Act*, 2000, S.O. 2000, c. 17, as amended from time to time. The Purchaser further agrees to accept, for closing purposes, photocopies or electronic copies (undertaken by or through a computer program, or by any other electronic means) of closing documents which have been signed by the Vendor, the developer or by any mortgagee or other person or entity and which may be addressed to the Vendor or any person or generically to all purchasers and for the purposes of closing, such documents shall be the same as if original executed documents. Signatures may be Photostat copies or electronic.
- (d) Notwithstanding anything to the contrary in this Agreement, the Purchaser hereby acknowledges and agrees that the Vendor shall not be obligated to release keys to the Purchased Dwelling to the Purchaser until the Purchaser provides evidence from all Utilities Suppliers, as required by the Vendor and in a form satisfactory to the Vendor in its sole, absolute and unfettered discretion (the "Utilities Account Evidence"), that utilities accounts for the Purchased Dwelling have been opened and/or set up with all Utilities Suppliers in the name of the Purchaser and/or tenants (as may be applicable) of the Purchased Dwelling. Failure to deliver Utilities Account Evidence shall constitute a default by the Purchaser under this Agreement. The Vendor shall have the option exercisable in its sole, absolute and unfettered discretion, to extend the Closing Date until such time as the Utilities Account Evidence is delivered to the Vendor.

Section 7.4 Changes to Documents

In the event that the Purchaser desires to:

- vary the name(s) or manner in which the Purchaser has previously requested to take title to the Property;
- change the Purchaser's solicitor; and/or
- change any other information or any documentation reflected in (or comprising part of) the document package that is prepared by the Vendor's Solicitors for the Closing,

but fails to inform the Vendor's Solicitors regarding any of the foregoing requested changes (the "Requested Change") prior to the time that the Final Closing package has been completed by the Vendor's Solicitors, (even if the package has not yet been forwarded to, or received by, the Purchaser or the Purchaser's solicitor), then if such Requested Change (which shall be subject to the approval of the Vendor in its sole, absolute and unfettered discretion), is approved by the Vendor, the Final Closing package shall be revised as requested by the Purchaser provided that

the Purchaser shall reimburse the Vendor, on the Final Closing Date (in the sole, absolute and unfettered discretion of the Vendor), for the Vendor's administrative and processing costs, in the amount of Five Hundred Dollars (\$500.00) (plus Applicable Taxes) for each Final Closing package so revised, reproduced or re-sent.

Section 7.5 HST and HST Rebate

This section deals with the payment of federal goods and services tax and the Province of Ontario's portion of any harmonized single sales tax (which harmonized single sales tax is called the "HST") and the rebate of HST (that is both the federal and provincial rebates) for new houses (collectively the "HST Rebate"), under the *Excise Tax Act*, R.S.C., 1985, c. E-15, as amended from time to time, and the regulations thereunder (the "ETA").

- (a) The Vendor agrees that following Closing, it will pay and remit the HST net of the HST Rebate included in the Purchase Price and paid to it by the Purchaser, in accordance with the provisions of the ETA, subject to the Purchaser being entitled to and assigning the HST Rebate, as hereinafter set out. The Purchaser hereby irrevocably assigns and transfers to the Vendor all of the Purchaser's right, title and interest in and to the HST Rebate and any entitlement of the Purchaser to the HST Rebate in respect of the Purchased Dwelling and hereby irrevocably authorizes and directs the CRA to pay the HST Rebate directly to the Vendor. The Purchaser hereby covenants that the Purchaser shall not claim the HST Rebate or any part thereof for the Purchaser's own benefit in relation to the purchase of the Dwelling.
- (b) The Purchaser agrees to comply with the ETA and with all other laws, regulations, rules and requirements relating to HST and HST Rebate and to do such acts and to execute, complete and deliver to the Vendor before, on, or after Closing, as the Vendor may require, such documents, certificates, declarations, instruments and applications to enable the Vendor to directly obtain payment of the full amount of the HST Rebate and in such form and content as the Vendor may require, including, without limitation, a prescribed new housing rebate application containing prescribed information executed by the Purchaser and a power of attorney and an assignment. The Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser and that such appointment and power of attorney shall be irrevocable and is effective as of the date of execution of this Agreement by the Purchaser.
- (c) The Purchaser agrees to provide the Vendor with all information required by the Vendor in connection with the registered and beneficial ownership of the Purchased Dwelling and in connection with the occupancy of the Purchased Dwelling or information with respect to any other person in connection therewith. Such information shall be by way of sworn statutory declaration in form and content required by the Vendor and to be executed and delivered to the Vendor on or before the Closing Date.
- (d) The Purchaser represents and warrants that the Purchaser with respect to this Transaction qualifies for the HST Rebate and confirms and agrees that the Vendor is relying upon such representation and warranty to the Vendor's detriment. The Purchaser further warrants and represents that the Purchaser is a natural person who is acquiring the Purchased Dwelling with the intention of being the sole beneficial owner thereof on the Closing Date. The Purchaser covenants and agrees that such representations and warranties shall be true and correct at Closing and shall not merge on Closing but shall continue thereafter. The Purchaser shall deliver on or before the Closing Date a signed indemnity to this effect in a form and content satisfactory to the Vendor and the Vendor's Solicitors in their sole, absolute and unfettered discretion. If the foregoing representation and warranty is not true and correct in all respects, then (in addition to the foregoing provisions) the Purchaser hereby indemnifies and saves harmless the Vendor from and against all Costs. It is understood and agreed that in the event that the Purchaser intends to rent out the Purchased Dwelling before or after the Closing Date, the Purchaser shall not be entitled to the HST Rebate, but may nevertheless be entitled to pursue, on his/her own after the Closing Date, the federal and provincial new rental housing rebates directly with CRA, pursuant to Section 256.2 of the ETA, as may be amended from time to time, and other applicable legislation to be enacted relating to the provincial new rental housing rebate.
- (e) In the event that: (i) the Purchaser is not eligible for the HST Rebate or any part thereof, (whether determined before, or on Closing and notwithstanding that the price of the Purchased Dwelling would qualify for a rebate) pursuant to the provisions of the ETA; (ii) the Purchaser discloses his ineligibility to the Vendor on or before the Closing Date, or (iii) the Purchaser fails to provide evidence satisfactory to the Vendor in its sole, absolute and unfettered discretion confirming the Purchaser's entitlement to the HST Rebate forthwith after demand from the Vendor, and in any event prior to the Closing, the Vendor shall either (1) be credited on the Statement of Adjustments on Closing with an amount equal to the HST Rebate had the Purchaser qualified for same, or (2) upon written demand by the Vendor, the Purchaser shall forthwith pay the amount of the HST Rebate to the Vendor. The Purchaser shall be relieved of his covenants under Section 7.5(a)-(d) inclusive upon receipt of the HST Rebate by the Vendor from the Purchaser. In those circumstances where the Purchaser maintains that he/she is eligible for the HST Rebate, despite the Vendor's belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the HST Rebate to the Vendor as aforesaid) be fully entitled to pursue the procurement of the HST Rebate directly from the CRA. In the event that it is determined after Closing that the Purchaser is not eligible for the HST Rebate or any part thereof, then the Purchaser shall forthwith upon demand pay an amount equivalent to the HST Rebate to the Vendor (or to whomever the Vendor may in writing direct) by certified cheque or bank draft. The Purchaser hereby agrees that the amount of the HST Rebate to be paid by the Purchaser to the Vendor in accordance herewith shall be a charge against the Purchased Dwelling in favour of the Vendor, and secured by a lien (including a vendor's lien), charge or caution as the Vendor deems appropriate on and against the Purchased Dwelling for the full amount of the HST Rebate and any Costs incurred by the Vendor relating thereto.
- (f) Notwithstanding any other provision herein contained or contained in the Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to the Agreement or any extras, change orders or upgrades purchased, ordered or chosen by the Purchaser from the Vendor, nor any HST exigible with respect to any chattels provided by the Vendor in the Purchased Dwelling, which are not specifically set forth in this Agreement and the Purchaser covenants and agrees to pay such HST to the Vendor at such time as directed by the Vendor.
- (g) Any amounts owing to the Vendor by the Purchaser pursuant to this Agreement including, without limitation, any HST or HST Rebate and not paid when due, shall be payable on written demand by the Vendor and shall bear interest from the date such amount is due at the rate of 12% per annum calculated and compounded daily not in advance, until paid, with interest on overdue interest payable on demand and at the same rate and such amount due together with interest at the aforesaid rate shall be a charge on the Purchased Dwelling.
- (h) All terms, provisions and conditions contained in the Agreement, save and except for those which conflict with, or are inconsistent with the foregoing terms of this Section 7.5, shall remain the same, and shall continue to be binding upon each of the Vendor and the Purchaser and their respective heirs, estate trustees, successors and permitted assigns.

Article 8 CONDITIONS

Section 8.1 Planning Act Condition

This Agreement and the Transaction arising from this Agreement are conditional upon the Vendor obtaining prior to the Closing Date, compliance with the subdivision control provisions of the *Planning Act*, R.S.O. 1990, c P.13, as amended from time to time, which compliance shall be obtained by the Vendor at its sole cost and expense, failing which, in the absence of any extension of the Closing established or implemented by the Vendor pursuant to and in accordance with the provisions of the Taron Addendum, this Agreement shall automatically be terminated and of no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement, or the termination thereof as a result of such non-compliance with the Planning Act, save and except for any delayed closing compensation that may be payable by the Vendor to the Purchaser in connection therewith pursuant to the provisions of the Taron Addendum, and upon such termination all monies paid towards the Purchase Price (inclusive of all monies paid on account of extras and/or upgrades) shall be refunded to the Purchaser, together with all interest earned or accrued thereon at the rate prescribed by the Act, and without deduction of any kind, save for any deduction for the cost or price of any extras ordered by the Purchaser which are yet unpaid by the Purchaser

Section 8.2 Early Termination Conditions

This Agreement may contain Early Termination Conditions as set out in Section 6 on page 4-5 of the Taron Addendum, and additional Early Termination Conditions in Schedule "C" (if any) to the Taron Addendum.

Section 8.3 Other Conditions

The Purchaser is cautioned that there may be other conditions in this Agreement, including without limitation, the condition set out in any Schedules to this Agreement, that allow the Vendor to terminate this Agreement due to the fault of the Purchaser or no default of the Purchaser.

Section 8.4 Subdivision

If any approval in respect of the Development required by the Vendor, its architect, consulting engineer and/or the Municipality is not obtained, the Vendor may in writing terminate this Agreement within sixty (60) days following registration of the plan of subdivision.

Article 9 PURCHASER'S ACKNOWLEDGEMENTS AND COVENANTS

Section 9.1 Obligation to Retain a Lawyer

The Purchaser shall be obliged to retain a lawyer authorized to use the System and who is in good standing with the Law Society of Ontario to represent the Purchaser in connection with the completion of the Transaction. The Purchaser shall provide written notice to the Vendor or the Vendor's Solicitor of the name and contact information of the lawyer retained by the Purchaser as soon as possible after the signing of this Agreement by the Purchaser and shall confirm such information at least 60 days prior to the Closing Date. Should the Purchaser fail to provide such information when required, or should the information provided be incorrect, or should the Purchaser change lawyers after final closing packages have already been prepared by the Vendor's Solicitor, then the Purchaser shall be obliged to pay as an adjustment on the Statement of Adjustments at the final Closing, all additional legal fees and disbursements which may be charged to the Vendor by the Vendor's Solicitors to prepare and deliver the final Closing package to the Purchaser and/or the Purchaser's solicitor and to thereafter prepare another set of final Closing package. The Purchaser acknowledges and agrees that the Vendor's Solicitors shall charge Five Hundred Dollars (\$500.00) + Applicable Taxes for each additional set of final Closing package, and with such fees being subject to increase, from time to time, without any obligation to notify the Purchaser of same prior to the final Closing. The Purchaser's failure to pay such amounts if charged on the Statement of Adjustments shall constitute a default under this Agreement which entitles the Vendor to exercise any and all of its remedies hereunder.

Section 9.2 No Registration

The Purchaser covenants and agrees with the Vendor that the Purchaser will at no time register or permit to be registered on title to the Development, any part thereof or the Purchased Dwelling, this Agreement or a notice or assignment or transfer thereof or a caution, purchaser's lien, or certificate of pending litigation or any encumbrance or cloud whatsoever, and that any such registration shall permit the Vendor to terminate this Agreement and/or to exercise any of its remedies as set forth in this Agreement. The Purchaser agrees that this Agreement shall be deemed not to have created in the Purchaser any interest whatsoever whether equitable, legal or otherwise in the Development or any part thereof. If any such registration occurs, the Vendor may take full forfeiture of the Purchaser's Deposits and Payments for Extras as liquidated damages and not as a penalty, without prejudice to and in addition to any other rights and/or remedies that the Vendor may have at law or in equity. If such registration is not removed within three (3) days of the delivery of written notice to the Purchaser or the Purchaser's solicitor, then the Purchaser, by the execution of this Agreement, hereby expressly appoints the Vendor as its lawful attorney to execute any transfers, releases, applications, acknowledgements and directions, or other instrument or document whatsoever to have the said registration removed, released or deleted from title to the Development or any part thereof or the Purchased Dwelling. This clause shall apply notwithstanding any default of the Vendor and shall not merge or be extinguished as a result of the termination of this Agreement, whether by operation of law or otherwise but shall survive same.

Section 9.3 Restricted Right of Entry by Purchaser

The Purchaser agrees that prior to the Closing Date the Purchaser (which for the purposes of this Section includes any member of the Purchaser's Immediate Family or other relatives or friends and any of his or their representatives, consultants, agents, trades, workmen or employees) will not in any circumstances enter onto or into the Development and/or the Purchased Dwelling without the express prior written consent of the Vendor, which may be arbitrarily withheld, and being accompanied by a representative of the Vendor and that any other entry by the Purchaser

shall be deemed to be a trespass and a default pursuant to this Agreement for which the Vendor shall have its rights and remedies as set out in this Agreement and at law and in equity. The Purchaser agrees to comply with all regulations under the *Occupational Health and 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 fines incurred as a result of non-compliance with these provisions by the Purchaser.

In addition, the Purchaser agrees that the Purchaser will not under any circumstances, either personally or by any trade, agent, workman, employee or other representative perform, have performed or cause to be performed any work of any nature or kind whatsoever on or in the Purchased Dwelling prior to the Closing Date without the prior written approval or consent of the Vendor which approval or consent may be arbitrarily withheld and in the event of a breach of this covenant, the Vendor shall be entitled to take whatever steps are necessary to remove, correct or remedy any such work and all Costs.

Notwithstanding anything herein before provided to the contrary, it is expressly understood and agreed by the Purchaser that with respect to any extras or upgrades to the Purchased Dwelling that are not intended to be supplied and/or constructed directly by (or under the supervision or control of) the Vendor, the Purchaser shall not arrange for any work, services and/or materials to be undertaken, installed, provided and/or delivered to the Purchased Dwelling in connection therewith, prior to the later of: (i) the Closing Date; and (ii) the Purchaser's payment of all Deposits provided for or contemplated on page 1 of this Agreement, without the prior written consent of the Vendor (which consent may be unilaterally and arbitrarily withheld).

Moreover, prior to the final Closing of the Transaction, the Purchaser shall not make or undertake any work or improvement to the Purchased Dwelling, whether in the nature of an addition, alteration, improvement or otherwise, without the prior written consent or approval of the Vendor, which consent or approval may be unilaterally and arbitrarily withheld, and where any such work or improvement has been so approved, then the Purchaser shall be obliged to promptly pay all outstanding accounts and invoices issued by any of the Purchaser's tradesmen, contractors or material suppliers who may be lawfully entitled to register a construction lien against the Purchased Dwelling and/or the Lands or any portion thereof in connection with any such work or improvement. In the event that any such lien is registered on title, then the Purchaser shall be obliged to forthwith discharge and remove same at the Purchaser's sole cost and expense, failing which the Purchaser shall be in breach of this Agreement, and in the event that any such lien remains undischarged and continues to be registered on title later than three (3) days after written notice thereof has been delivered to the Purchaser or the Purchaser's solicitor by the Vendor or the Vendor's Solicitor, then without prejudice to and in addition to any other rights and/or remedies that the Vendor may have at law or in equity as a consequence of such default or breach by the Purchaser, the Vendor shall have the right but not the obligation to discharge or vacate the said lien by paying the amount claimed to be due, or such other amount as may be required, directly into court or alternatively by posting security for said lien with the court, in order to obtain a court order vacating such lien, and the amount so paid or posted by the Vendor shall then be payable by the Purchaser to the Vendor forthwith on demand. All legal costs, interest charges and any other costs and expenses incurred by the Vendor or any mortgagee of the Lands, including without limitation any lender providing construction financing in connection with the Development, as a result of the registration of any such lien shall be payable by the Purchaser to the Vendor forthwith on demand, or at the Vendor's option, same may be charged to the Purchaser in the Statement of Adjustments prepared by the Vendor in connection with the final Closing of this Transaction.

In the event that the Purchaser shall without in writing of the Vendor, enter upon the Purchased Dwelling and carry out changes or additions to the Purchased Dwelling (the "Unlawful Works") being constructed by the Vendor, the Purchaser will forthwith pay to the Vendor the amount incurred by the Vendor 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 the Purchaser shall pay to the Vendor forthwith upon written request for payment for same and/or at the option of the Vendor, the Vendor may declare this Agreement of Purchase and Sale null and void. In the event that the Vendor shall choose the option as set forth above to declare the Agreement null and void, it 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 any warranty provide under the ONHWA.

Section 9.4 Right of Re-Entry by Vendor

The Purchaser acknowledges and agrees that notwithstanding the Closing of the Transaction and the delivery of title to the Purchased Dwelling to the Purchaser, the Vendor, its successors and assigns, or any person authorized by it, including without limitation the Vendor's predecessors in title, their successors, servants, agents or assigns (collectively the "Permitted Entrants") shall be entitled at all reasonable times, on reasonable notice (except in the case of an emergency or perceived emergency, in which event the Permitted Entrants shall have immediate entry into the Purchased Dwelling) to enter the Purchased Dwelling in order to make inspections or to do any work or repairs therein or thereon which may be deemed necessary by the Vendor in connection with the completion, rectification or servicing of any installation in/on the Development, or which may be deemed necessary by the Vendor, or for the purpose of effecting compliance in any manner with any subdivision, development, servicing, utility or other agreement. Notwithstanding the foregoing, in the event the Purchaser has not allowed access to the Permitted Entrants within two (2) days of written request, the Permitted Entrants may access the Purchased Dwelling without any further notice and without liability on its part. The Purchaser acknowledges that, at the Vendor's sole, absolute and unfettered discretion, a right of entry in favour of the Permitted Entrants for a period not exceeding five (5) years similar to the foregoing may be included in the Transfer/Deed provided on the Closing Date. The right of re-entry contained in this Agreement are in addition to any other rights of re-entry contained in any instruments registered on title to the Purchased Dwelling. The Purchaser acknowledges and agrees that this covenant shall not merge on Closing and may be pleaded as a complete defence to any opposition or objection raised by the Purchaser.

Section 9.5 Warning Clauses

The Purchaser acknowledges having reviewed and understood, and agrees to the additional covenants and acknowledgements contained in Schedule "C" Purchaser's Acknowledgements, Restrictions & Warning Clauses.

Section 9.6 No Assignment

- (a) The Purchaser shall not, prior to the Closing on the Closing Date directly or indirectly, lease, offer to lease, list for sale, advertise for sale or lease, assign, convey, sell, transfer or otherwise dispose or part with possession of the Purchased Dwelling or any interest the Purchaser may have in the Purchased Dwelling or any part thereof, or any rights or interests the Purchaser may have under this Agreement, or agree to any of the foregoing, without the prior written consent of the Vendor, which consent may be unreasonably and arbitrarily withheld if the Purchaser breaches this prohibition.
- (b) Without limiting the Vendor's sole, absolute and unfettered discretion expressed in Section 9.6(a) above, the Vendor may consent (but shall have no obligation to consent) to an assignment by the Purchaser to a third party (the "Assignee") of the Purchaser's right, title and interest in this Agreement provided that the following conditions are satisfied:
- (i) the Purchaser or Assignee shall pay the Vendor's administration and processing fee to be determined by the Vendor;
 - (ii) the Purchaser or Assignee shall pay the Vendor's Solicitor's fees and disbursements plus Applicable Taxes incurred by the Vendor with respect to such assignment;
 - (iii) the Purchaser, Assignee and Vendor shall enter into an assignment and consent agreement to be prepared by the Vendor's Solicitors and in such form and content as is acceptable to the Vendor;
 - (iv) the Assignee shall assume all of the obligations of the Purchaser pursuant to this Agreement;
 - (v) in the event that the Ministry of Finance, Land Registry Office or any other governmental authority requires any information, affidavits, filings or payments to be made by assignors of agreements of purchase and sale for real property in order to complete the purchase and sale transaction, or process the HST Rebate, or for any other purpose which the Vendor may require, then the Purchaser hereby agrees to and acknowledges that it shall be the Purchaser's sole responsibility to provide such information, and complete such affidavits, filings or payments forthwith, and a failure to do so prior to the Closing Date or prior to such other time as may be limited therefor shall constitute a default by the Purchaser and the Assignee under this Agreement; and
 - (vi) notwithstanding such assignment, the Purchaser shall remain fully liable pursuant to this Agreement and shall not be relieved in any way of his obligations pursuant to this Agreement.

The Purchaser acknowledges and agrees that if it breaches the covenants in this Section 9.6, the Vendor shall have the unilateral right and option of terminating this Agreement effective upon delivery of written notice to the Purchaser or the Purchaser's solicitor whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default shall apply.

Section 9.7 Agreement Personal

Upon the understanding that this covenant will not merge on the Closing of the Transaction herein, the Purchaser covenants with the Vendor that the Purchaser or a member of the Purchaser's Immediate Family intends to own the Purchased Dwelling herein referred to and acknowledges this Agreement is personal and non-assignable and further covenants to occupy the Purchased Dwelling as his primary place of residence immediately upon the Closing Date, and if the Purchaser's failure to occupy the Purchased Dwelling within the aforesaid time period results in the failure by the Vendor to obtain the full HST Rebate, the Purchaser shall forthwith, upon demand, pay to the Vendor the amount of the HST Rebate not obtained as set out in Section 7.5. In the event for whatever reason the Purchaser is a corporation or where the Purchaser is buying in trust for another person or corporation (including, without limitation, a corporation to be incorporated) and same is expressly accepted by the Vendor then it is understood and agreed that the person signing on behalf of the corporation is jointly and severally liable with the corporation to perform all of the obligations of the Purchaser pursuant to this Agreement. The Purchaser acknowledges and agrees that the purchase of the Purchased Dwelling "in trust" for another party is prohibited.

Section 9.8 Multiple Purchasers

If the Purchaser comprises more than one individual, then all individuals comprising the Purchaser shall be deemed and construed to have acquired the Purchased Dwelling as joint tenants with rights of survivorship. Should any of the individuals comprising the Purchaser die before the Closing Date, then the Vendor is hereby authorized and directed to engross the deed/transfer of title in the name of the surviving individual(s) comprising the Purchaser without requiring probate of the deceased individual's last will and testament. The Vendor shall not be liable to any party in any way relating to the engrossing of the deed/transfer of title in the name of the surviving individual(s) comprising the Purchaser and the surviving Purchaser hereby indemnifies the Vendor against any Costs in relation to the foregoing.

Section 9.9 No Objection

The Purchaser acknowledges that the Vendor is or may in the future be processing and/or completing one or more minor variance applications, severances, site plan applications or approvals, development applications, and/or subdivision applications with respect to the Development and/or the lands adjacent thereto or in the neighbouring vicinity thereof in order to permit the development and construction of the Dwellings.

The Purchaser acknowledges that the Vendor and the Vendor's Related Parties and/or their successors and assigns, in their sole, absolute and unfettered discretion may be currently or in the future develop and construct other buildings or structures on the lands adjoining, neighbouring and/or in the same vicinity as the Lands. The Purchaser agrees not to object to such development and/or construction nor deem such development and/or construction as an inconvenience or nuisance, nor make a claim for damages or injuries or otherwise.

The Purchaser will not oppose any application for: (i) registration of a plan of condominium, site plan or any severance or minor variance application by the Vendor and/or the Vendor's Related Parties and/or their successors, with respect to any part or parts of the Development; or (ii) any rezonings or committee of adjustment applications (severance or minor variance), whether with respect to the Lands or other lands owned by the Vendor, the Vendor's Related Parties and/or their successors and assigns. The Purchaser acknowledges and agrees that this covenant shall not merge on Closing and may be pleaded as a complete defence and an estoppel to any opposition or objection raised by the Purchaser or in aid of an injunction restraining such opposition.

Section 9.10 Square Footage and Ceiling Height

The Purchaser acknowledges and agrees that the floor area or square footage of the Purchased Dwelling is determined by the Vendor's surveyor or architect and is calculated in accordance with the ONHWPA and regulations and bulletins (specifically Bulletin 22) thereunder. It is acknowledged and agreed by the Purchaser that the dimensions, floor area or square footage of the Purchased Dwelling, as illustrated or represented to the Purchaser in any Marketing Materials is approximate, and may differ from the actual size and defined boundaries of the Purchased Dwelling, and the Purchaser consents to same. The Purchaser is further advised that the actual usable and livable floor space may vary from any stated floor area. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Purchased Dwelling, are approximate only and that the Purchase Price shall not be subject to any adjustment or claim or compensation whatsoever, whether based upon the ultimate square footage of the Purchased Dwelling, or the actual usable or living space within the confines of the Purchased Dwelling or the net floor area or useable space of the Purchased Dwelling, or otherwise, regardless of the extent of any variance or discrepancy in or with respect to the area of the Purchased Dwelling, or any dimensions thereof. Notwithstanding any stated ceiling height (whether in any Schedule to this Agreement or in any Marketing Material), where ceiling bulk heads are installed within the Purchased Dwelling and/or where drop ceilings are required, then the ceiling height of the Purchased Dwelling will necessarily be less than that stated in any Schedule to this Agreement, or Marketing Materials and the Purchaser shall be obliged to accept the same without any reduction, abatement or other credit against the Purchase Price or claim for compensation whatsoever.

Section 9.11 Sales Office

The Purchaser agrees that it shall not interfere with the completion of any construction or installation in, on or under the Lands by the Vendor or its agents. Until the Development and any other of the Vendor's proposed development, buildings, structures, erections or construction in the vicinity are completed and all Dwellings in the Development, or proposed units or dwellings in proposed developments, have been sold and conveyed, the Vendor may (without any cost or expense whatsoever) make such use of the Development or any part thereof as may facilitate such completion and sale, including but not limited to the maintenance and use of any sales, rental, construction or administration offices, model homes, and the ability by the Vendor to display signs, and advertise and show any of the unsold Dwellings for sale.

Section 9.12 Vendor as Attorney

The Purchaser hereby appoints the Vendor to be his lawful attorney, and irrevocably authorizes the Vendor to execute the following documentation on his behalf, at any time:

- (a) a certificate of completion and possession in the event that the Purchaser fails to inspect the Dwelling pursuant to Section 10.4(i);
- (b) application for the HST Rebate pursuant to Section 7.5(b);
- (c) a release of the Vendor following termination of this Agreement;
- (d) any receipts or other documents required to be signed by the Purchaser in connection with the Deposits; and
- (e) any other documentation for which the Purchaser has agreed to grant the Vendor a power of attorney in this Agreement,

all in accordance with the provisions of the *Powers of Attorney Act*, R.S.O. 1990, as amended from time to time, or the *Substitute Decisions Act*, S.O. 1992, as amended from time to time, the Purchaser hereby declares that the foregoing power of attorney may be exercised by the Vendor during any subsequent legal incapacity on the part of the Purchaser.

Section 9.13 Power of Attorneys

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party other than the Vendor appointed as the attorney for the Purchaser, then:

- (a) the power of attorney shall be made, and duly executed and witnessed in accordance with the provision of the *Substitute Decisions Act*, S.O. 1992, as amended, or in accordance with the *Powers of Attorney Act*, R.S.O. 1990; and
- (b) the power of attorney appointing such person must be registered in the Land Registry Office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the attorney for the Purchaser confirming that such power of attorney has not been revoked) shall be delivered to the Vendor along with such documents, or if the power of attorney is not registered in the Land Registry Office, then
- (c) each of the Purchaser's solicitor and the Purchaser shall confirm in a statutory declaration that to the best of each of their knowledge, information and belief, and having made due inquiries of the donor, and relying on the donor's responses for the purposes of making the statutory declaration, or if the donor has not responded, then having made due inquiries of the donee and relying on the donee's responses for the purposes of making the statutory declaration, that the power of attorney was properly executed and witnessed; the power of attorney was lawfully given and is still in full force and effect and has not been revoked; and the attorney is the lawful party named in the power of attorney, and is acting within the scope of the authority granted to him or her under the power of attorney.

The Purchaser and/or his attorney shall execute such other documents and cause the Purchaser's and/or his attorney's solicitor to execute such other documents as the Vendor or the Vendor's Solicitors may in their sole, absolute and unfettered discretion require and the Vendor shall be entitled to refuse to deal with any such attorney in the event that the Purchaser, his attorney or their respective solicitors do not provide such documents. In addition, any additional requirements of TERS, the Law Society of Ontario or of any Governmental Authorities, in respect of powers of attorney, shall be complied with by the Purchaser, the Purchaser's solicitor, the attorney and the attorney's solicitors.

The power of attorney shall also contain, *inter alia*, the contact information including, name, address, phone number of such attorney to in accordance with the Tarion Addendum. Thereafter, any notices required or desired to be delivered to the Purchaser under Section 14.1 hereof may be given to such attorney in lieu of the Purchaser and shall be deemed to have been received by the Purchaser when so delivered to his attorney.

Section 9.14 Purchaser's Agents

The Purchaser acknowledge and agrees that the Purchaser's Agent represents the Purchaser and does not represent the Vendor. The Purchaser's Agent is not authorized by the Vendor to make any representations or promises regarding the Development or the sale of the Purchased Dwelling to the Purchaser. The Purchaser acknowledges and agrees that the Vendor shall not be responsible for any misrepresentations made by the Purchaser's Agent to the Purchaser.

Section 9.15 Condition of Purchased Dwelling on Closing

The Purchaser acknowledges and agrees that at Closing, the Purchaser shall take title to the Purchased Dwelling notwithstanding that there remains substantial exterior work, landscaping, paving, grading and other work to be completed by the Vendor, provided that the Purchased Dwelling shall be reasonably fit for occupancy, as determined by the Vendor in its sole, absolute and unfettered discretion, and the Purchaser shall complete the Transaction without any deductions or holdbacks nor shall the Purchaser make any claims against the Vendor in connection therewith. Notwithstanding anything herein written, if at the time this Agreement is executed, the Purchased Dwelling has already been substantially completed, the Purchaser shall purchase the Purchased Dwelling in an "as built" condition rather than in accordance with any other representations herein contained.

Section 9.16 Paving and Driveway

The Purchaser acknowledges and agrees that the Vendor shall pave the Driveway and apron in a two-step process with base coat of asphalt followed by a Final coat to be completed not before the first summer following the full winter and further agrees that the Purchaser shall pay associated fees in accordance with Section 5.1 (r) of this Agreement. The Purchaser acknowledges and agrees that with respect to any paved driveway which may be provided by the Vendor under the terms of this Agreement, there shall be no warranty by the Vendor or under ONHWPA and the Vendor shall not be responsible for any cracking, settlement, lifting, shrinkage or other settling or weathering of the paved driveway. The Purchaser acknowledges that it has been advised by the Vendor that settlement is likely to occur. The Purchaser agrees that the Purchaser will at no time modify, extend, enlarge, or change the driveway or its dimensions or location. If the Purchase Price specifically includes the paving of the driveway, the Vendor shall only have an obligation to pave such driveway to the access point of the lot and on the portion of the lot owned by the Purchaser only once. The Purchaser agrees that in the event that the Vendor does not have any obligation under this Agreement to pave the driveway, the Purchaser will pave the driveway and will not take any other steps or actions to damage, alter, move, or interfere with any water box located thereon. The Purchaser shall be liable for all damage, loss, and expense caused to any water box. The Purchaser agrees to consult with and obtain the approval of the Vendor and/or the Municipality's water department prior to commencing any work in, on, or around the water boxes.

Section 9.17 Fencing and Decks

The Purchaser acknowledges and agrees fencing and decks will not be permitted to be built on the Purchased Lot until grading, top soil, sodding and landscaping (if any) have been completed, and the final grading certificate approved by the appropriate Governmental Authorities. The Purchaser will maintain fences along or adjacent to the lot boundary and not remove, place a gate in, or otherwise alter such fences. If the Purchaser installs a fence that runs along the boundary of any lands owned by the Vendor or developer, the developer will have no obligation to pay any portion of the fence cost. No fence along a lot boundary abutting a street shall be installed except in compliance with the requirements of the development architect as to fence type, design, and finishing as well as fence height and location.

Section 9.18 Mail Delivery

The Purchaser acknowledges and agrees that mail delivery to the Purchased Dwelling may be from a designated community mail box.

Section 9.19 Grading

The Purchaser acknowledges and agrees that it shall not be permitted to alter the grading or elevation or contour of the Purchased Lot or any other lands within the Development except in accordance with drainage plans approved by the Municipality. The Purchaser is estopped from both objecting thereto and from requiring any amendments thereto. The Purchaser agrees to adhere to the overall drainage patterns of the Development, including such easements as may exist or may be required from time to time for drainage purposes. The Purchaser shall permit the Vendor and/or the Vendor's agents the right at any time after Closing, to enter upon the Purchased Lot for the purposes of rectifying grading, re-grading, repairing sanitary sewers and water mains. The Purchaser agrees that neither the Purchaser nor its successors or assigns shall construct or install a swimming pool, 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 Purchased Dwelling until after the Vendor has obtained acceptance of lot grading from the Municipality 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.

The Purchaser acknowledges that complete engineering data in respect of the Municipality approved final grading of the subject property may not, as yet, be complete and accordingly, it may not be possible to construct a Dwelling with a walk/look-out basement and/or rear deck where so indicated in this Agreement. In the event this Agreement calls for a walk/look-out basement and/or rear deck and such is not possible, or in the event this Agreement does not call for a walk/look-out basement or rear deck and such is required pursuant to final approved grading and engineering plans, the Purchaser covenants that it shall complete this Agreement on the date of Closing and shall accept a credit in the purchase price (if such walk/look-out basement or deck is not installed) or pay the additional cost involved in constructing such walk/look-out basement or rear deck (if such walk/look-out basement or rear deck is required pursuant to final approved grading and engineering plans), such costs shall be absolutely determined by Statutory Declaration sworn on the part of the Vendor.

Section 9.20 Settlement of Soil

The Purchaser acknowledges and agrees that there will be settlement of soil and hereby releases the Vendor from any liability in relation to damage to the interior or exterior of the Purchased Dwelling, including but not limited to the paved driveway, landscaping, sodded areas, basement improvements, chattels stored inside the Purchased Dwelling.

Section 9.21 Curbs

The Purchaser acknowledges and agrees that alterations and expansions to the curb is not permitted by the Municipality.

Section 9.22 Basement

The Purchaser shall not finish any portion of the basement not finished by the Vendor pursuant to this Agreement for twelve (12) months after the date of Closing. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of damage to basement improvements and for chattels stored in the basement resulting from any water seepage through the foundation walls or rupture, back-up, leakage or other malfunction or defect of the plumbing, storm or sanitary sewer or drainage systems.

Section 9.23 Leakage and Other Repairs

The Purchaser covenants, acknowledges and agrees that in the event there is leakage of water into the basement or any other damage of any kind or nature whatsoever, which the Vendor shall be required at law to repair, the Vendor shall only be responsible to repair such damages as may be required at law, and shall in no circumstance be liable for consequential damage or damage to any improvements, fixtures, furnishings, or personal property stored in or on the Dwelling.

Section 9.24 Damage to Development

The Purchaser acknowledges and agrees that it shall promptly pay on demand by the Vendor all amounts in relation to the correction and remediation of damage caused by the Purchaser or its Responsible Parties to any services, facilities, landscaping, utilities, and works including but not limited to storm sewers, sewage pipes, trees, sod, street signs, lights, roads, sidewalks, curbs which is installed by or on behalf of the Vendor, or which benefit the Development.

Section 9.25 Sump Pumps

The Purchaser acknowledges and agrees that Dwellings in the Development may be equipped with sump pumps or sewage ejection pumps and that the maintenance and repair of such pumps shall be the sole responsibility of the Purchaser.

Section 9.26 Rebates

The Purchaser acknowledges and agrees that any rebates, bonuses or other consideration which may be paid by an utilities or other service provider for utilizes or other services provided to the Development or the Dwellings shall be remitted to the Vendor and the Purchaser shall have no entitlement to any such rebate, bonus or consideration.

Article 10 PURCHASER SELECTION, INSPECTION

Section 10.1 Model Home

The Purchaser acknowledges and agrees that any model homes displayed or to be displayed in the Vendor's sales office may include or contain items of finishing, furniture and/or equipment and be constructed with the use of construction methods and materials which are not, pursuant to the terms of this Agreement to be contained in the Purchased Dwelling or included in the Purchase Price or are available for separate purchase by the Purchaser as upgrades, changes or extras.

Section 10.2 Selection by Purchaser

Within seven (7) days of notification by the Vendor to the Purchaser, the Purchaser shall complete the Vendor's colour and material selection form for those items of construction or finishing provided to the Purchaser for its selection by the Vendor. Any selection so made by the Purchaser in accordance with this Agreement shall be subject to the availability thereof at the time of selection and at the time that the Vendor is prepared to install same. If any item feature or finish selected by the Purchaser is not available either at the time of selection by the Purchaser or the time of installation by the Vendor, the Purchaser shall reselect within seven (7) days of notification by the Vendor, from the Vendor's remaining samples that are then available.

Notwithstanding anything contained to the contrary in this Agreement or in any statute, legislation or regulation thereunder, where the Purchaser has made no selection or reselection within the time period set out in this Section, or if the Purchaser's colour, material, construction or finishing selections are unavailable for any reason whatsoever, the Vendor may substitute, in its sole, absolute and unfettered discretion, without notice to the Purchaser, materials or finishings which in the opinion of the Vendor is of equal or better quality and whether the same or different colour or finish. The Purchaser agrees that if after having made the original colour selections the Purchaser makes a selection erroneously or otherwise, the Purchaser will be deemed responsible for all errors resulting including from any double selections.

The unavailability of any item of construction or finishing for which the Purchaser is entitled to make selection pursuant to this Agreement shall not render this Agreement null and void or allow the Purchaser to terminate this Agreement. Unless allowed by the Vendor in writing, the Purchaser shall have no selection whatsoever insofar as finishes, colours, designs and materials outside of the Purchased Dwelling, all of which shall be and remain in the Vendor's sole, absolute and unfettered discretion. The Purchaser further acknowledges that selections of exterior colours, designs and materials may be subject to architectural approval of the Municipality, over which the Vendor may not have any control. All selections of items for which the Purchaser is entitled to make selection pursuant to this Agreement are to be made from the Vendor's samples. No changes whatsoever to the exterior colours, designs, and materials will be permitted to the Purchased Dwelling prior to the assumption of the subdivision by the Municipality and the Purchaser hereby acknowledges notice of same and agrees to accept the exterior colour scheme as architecturally 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 Purchaser's changes.

The Purchaser agrees that in the event of any conflict between the provisions of this Agreement and the provisions of the ONHWA (including any regulations thereunder) in respect of substitution of items of construction or finishing, except where specifically prohibited by law, the provisions of this Agreement shall prevail and the provisions of the ONHWA, including without limitation, the right to claim compensation for damages shall not apply.

Section 10.3 Extras

The Purchaser acknowledges and agrees that the purchase of any extras, or the ordering of any alterations, substitutions, deletions or additions with respect to the Purchased Dwelling shall be in a written amendment to the Agreement and shall be signed by both the Purchaser and the Vendor. The Purchaser acknowledges and agrees that no subcontractors, trades people, agents or employees of the Vendor may agree to any extras, alterations, deletions or additions with respect to the Purchased Dwelling.

The Purchaser covenants and agrees to pay to the Vendor in full for all extras, upgrades or changes with respect to any of the Purchased Dwellings in advance at the time such order is made by the Purchaser unless the Vendor otherwise agrees in writing. Notwithstanding anything contained to the contrary in this Agreement, in the event that this Transaction does not close for any reason except as a result of the default of the Vendor, the Purchaser agrees that the Vendor shall retain any sums so paid for extras, upgrades or changes and shall not be obligated to return same to the Purchaser. The Vendor shall furthermore be allowed to deduct from any Deposits any amounts remaining unpaid for extras, upgrades or changes. Where any extras, upgrades or changes ordered are not available to the Vendor for any reason whatsoever, or cannot be installed on a timely basis, as determined by the Vendor in its sole, absolute and unfettered discretion, then the Vendor shall refund to the Purchaser on the Closing Date as a credit on the Statement of Adjustments all monies paid for such extras, upgrades or changes and the Purchaser shall have no recourse, action or claim against the Vendor. If any extra, upgrade or change is omitted, the Purchaser shall be credited with the amount which the Purchaser was charged for it and this credit shall be the limit of the Vendor's liability.

Notwithstanding anything contained to the contrary in this Agreement or in any statute, legislation or regulation thereunder, where an upgrade or extra selected and paid for by the purchaser is unavailable for any reason whatsoever, the Vendor may substitute, in its sole, absolute and unfettered discretion, without notice to the Purchaser, materials or finishings which in the opinion of the Vendor is of equal or better quality and whether the same or different material, style, colour or finish.

Section 10.4 Tarion Warranty Corporation ("Tarion")

- (i) The Purchaser or the Purchaser's designate as hereinafter provided agrees to meet the Vendor's representative on the date and at the time designated by the Vendor, prior to the Closing Date, to conduct a pre-delivery inspection of the Purchased Dwelling (the "PDI") and to list all items remaining incomplete at the time of such inspection together with all mutually agreed deficiencies with respect to the Purchased Dwelling, on the Tarion Certificate of Completion and Possession (the "CCP") and the PDI Form, in the forms prescribed from time to time by and required to be completed pursuant to the provisions of the ONHWA. Except as to those items specifically listed in the CCP, the Purchaser shall be deemed to have acknowledged that the Purchased Dwelling has been completed in accordance with this Agreement and the Purchaser shall be deemed conclusively to have accepted the Purchased Dwelling. The Vendor will conduct itself in accordance with Tarion Bulletin 42 in setting up a time for conducting and completing the PDI. The CCP and PDI Forms shall be executed by both the Purchaser or the Purchaser's designate and the Vendor's representative at the PDI and shall constitute the Vendor's only agreement or warranty, express or implied, in respect of any aspect of construction of the Purchased Dwelling and shall also be the full extent of the Vendor's liability for: (i) defects in materials or workmanship; and (ii) damage, loss or injury of any kind suffered or incurred by the Purchaser. All items listed in the CCP shall be complied or rectified after completion of this Transaction, subject to the Vendor's scheduling and availability of supplies, equipment, and labour, having regard to weather conditions, but otherwise subject to Tarion Bulletin 42. The Purchaser shall not require any further undertaking of the Vendor to complete any outstanding items. In the event that the Vendor performs any additional work to the Purchased Dwelling, in its sole, absolute and unfettered discretion, the Vendor shall not be deemed to have waived the provision of this section or otherwise enlarged its obligations hereunder.
- (ii) The Purchaser acknowledges that the Homeowner Information Package as defined in Tarion Bulletin 42 (the "HIP") is available from Tarion and that the Vendor further agrees to provide the HIP to the Purchaser or the Purchaser's designate, at or before the PDI. The Purchaser or the Purchaser's designate agrees to execute and provide to the Vendor a confirmation of receipt of the HIP forthwith upon receipt of the HIP. In the event the Purchaser and/or the Purchaser's designate fails to execute the confirmation of receipt of the HIP forthwith upon receipt of the HIP, the Vendor may declare the Purchaser to be in default under this Agreement.
- (iii) The Purchaser shall be entitled to send a designate to conduct the PDI in the Purchaser's place or attend with their designate, provided the Purchaser first provides to the Vendor a written authority appointing such designate for the PDI prior to the PDI. If the Purchaser appoints a designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly.
- (iv) Failure by the Purchaser and/or the Purchaser's designate to attend the PDI or failure to execute the CCP and PDI Forms at the conclusion of the PDI, shall constitute a default under this Agreement. The Vendor may, at its option, complete the within transaction and complete the CCP and PDI Forms on behalf of the Purchaser and/or the Purchaser's designate and the Purchaser hereby irrevocably appoints the Vendor the Purchaser's attorney and/or agent and/or designate to complete the CCP and PDI Forms on the Purchaser's behalf and the Purchaser shall be bound as if the Purchaser or the Purchaser's designate had executed the CCP and PDI Forms. The Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser and that such appointment and power of attorney shall be irrevocable and is effective as of the date of execution of this Agreement by the Purchaser. If the Purchaser is more than one individual, the execution of any of the documents hereinbefore mentioned by any one of the individuals comprising the Purchaser shall be deemed to be binding upon the remaining individuals comprising the Purchaser.
- (v) It is understood and agreed that any failure on the part of the Vendor to comply with the ONHWA as administered by Tarion Warranty Corporation, including without limitation any failure to comply with any notice requirements thereof shall only give rise to those specific rights set out in the ONHWA, if any, and shall not entitle the Purchaser, or Owner to any further, other or additional rights or claims for damages (whether in contract, tort or otherwise), or for any other form of compensation or reimbursement, or for any other form of relief (whether at law or in equity), other than what is set out in the ONHWA.
- (vi) The Purchaser understands and agrees that any deficient, outstanding or incomplete construction items or related matters relating to the Development, and Dwellings shall only be dealt with through the process established for and administered by Tarion Warranty Corporation, which shall be the only recourse of the Purchaser, Owner against the Vendor.

(vii) The Purchaser hereby releases the Vendor from any liability whatsoever in respect of improvements or betterments to, or chattels placed within the Purchased Dwelling. The Purchaser further acknowledges that the Vendor is not responsible for the repair or rectification of any work resulting from ordinary settlement, including without limitation, walkways, patio stones, interlocking bricks, or sodded areas or for any damage to improvements or décor caused by material shrinkage, twisting or warping. Furthermore, the Vendor shall not be liable for any secondary or consequential damage whatsoever which may result from any defect in any materials, design or workmanship related to the Purchased Dwelling except as required by the ONHWP. There shall be no implied or other warranty of any nature and the Vendor shall have no other liability whatsoever in the event of a deficiency in relation to the construction of the Purchased Dwelling, whether in contract or tort, THE PURCHASER IS URGED TO REVIEW THE WARRANTY OFFERED PURSUANT TO THE ONHWP, PARTICULARLY ITS EXCLUSIONS. The Vendor shall have no liability whatsoever for work done by a third party trade at the request of the Purchaser, either before or after the Closing Date, whether or not such third party trade was referred to the Purchaser by the Vendor. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or the Purchaser's successors in title against the Vendor arising from construction deficiencies.

Article 11 CHANGES TO PURCHASED DWELLING, DAMAGE

Section 11.1 Modifications

The Purchaser acknowledges that the distance and views from the proposed Development or Purchased Dwelling shown or described in the Marketing Materials are approximate only and may be modified before and/or during construction. Notwithstanding the descriptions and depictions contained in any Marketing Materials, or any other documents, the Vendor reserves the right, to change, vary, alter or modify, from time to time and at any time all plans, drawings, and specifications for and relating to the Development including but not limited to: (1) architectural, structural, engineering, landscaping, grading, mechanical, site servicing or any other plans; (2) municipal numbering and address; (3) type, location and availability of amenities (if any); (4) increasing or decreasing the number of Dwellings and Lots in the Development; (5) square footage of the Purchased Dwelling; (6) Dwelling layout including without limitation, the location, design, number, size and placement of all structures, appliances (if any), fixtures, chattels (if any), windows, doors, bulkheads, railings, cabinets, countertops, plumbing, light switches, lights, electrical and other outlets, columns, posts, walls, fan coils, combination heating/air-conditioning units, rooms, stairs (if any) inside the Dwelling; (7) Lot boundaries; (8) increase or decrease the number of floors in a Dwelling; (9) height of ceilings in a Dwelling; (10) finishes, colours and materials throughout the Dwelling; (11) number, size, location, type, brand, and size of appliances, chattels and fixtures, if any; (12) numbers, layout, location, height and sizes of rooms inside the Dwelling; (13) combining or dividing any Lots; (14) standard features and finishes included in the Purchased Dwelling; (15) the area of any rear yards, front yards or balconies, if any, all in the Vendor's sole, absolute and unfettered discretion and the Purchaser hereby consents to any such changes, variations, alterations and modifications and shall have absolutely no claim or cause of action against the Vendor whether in contract law, equity or tort for any such changes, variances, alterations or modifications, nor shall the Purchaser be entitled to any notice thereof, nor shall the Purchaser be entitled to any reduction, abatement, or other credit against the Purchase Price or claim for compensation whatsoever as a result of any such change and the Purchaser agrees to complete the purchase and sale Transaction contemplated in this Agreement notwithstanding any such changes.

The Purchaser further acknowledges that the outline of any chattel or furnishing or appliance, structure, or any part of the Dwelling or Lot on any floor plans is not a representation or warranty of the Vendor and such floor plans are conceptual in nature and may be altered at the Vendor's sole, absolute and unfettered discretion.

The Purchaser acknowledges and agrees that the complete engineering data in respect of the approved final grading by the Municipality of the Purchased Dwelling may not, as yet, be complete and accordingly, it may not be possible to construct a Purchased Dwelling with a walk/look-out basement and/or rear deck where so indicated in this Agreement. In the event that this Agreement calls for a walk/look-out basement and/or rear deck and such is not possible, or in the event that this Agreement does not call for a walk/look-out basement or rear deck and such is required pursuant to final approved grading and engineering plans, the Purchaser covenants that it shall complete this Agreement on the Closing Date and shall accept a credit in the Purchase Price (if such walk/look-out basement or deck is not installed) or pay the additional cost involved in constructing such walk/look-out basement or rear deck (if such walk/look-out basement or rear deck is required pursuant to final approved grading and engineering plans).

The Purchaser acknowledges and agrees that in the event that the Purchased Dwelling being purchased herein is a semi-detached or townhouse dwelling, the lot or block upon which such dwelling is constructed will not necessarily be divided equally but may instead be divided in unequal proportions. The Purchaser agrees to accept any such unequal division of such lot or block.

Section 11.2 Substitute Materials and Reverse Layout

In addition to any other rights contained in this Agreement, the Vendor reserves the right to substitute any fixtures, materials, appliances, or equipment used in the construction or finishing of the Purchased Dwelling (whether exterior or interior) provided that the materials used are in the opinion of the Vendor (which opinion shall be final and binding) in its sole, absolute and unfettered discretion, of equal quality or better to those represented or illustrated to the Purchaser and the Purchaser consents to same and shall have absolutely no claim or cause of action against the Vendor for any such changes, modifications, alterations or variations, nor shall the Purchaser be entitled to any notice thereof. The Purchaser acknowledges that any Dwelling of the Development including without limitation the Purchased Dwelling may have a reversed architectural layout than as may be pictured or represented in any Marketing Materials provided or shown by the Vendor depending upon the location of such Dwelling and the Purchaser agrees to accept such reversed architectural layout.

Section 11.3 Damage to Improvements

From and after the Closing, the Vendor shall not be responsible for the following: (i) any damage to any improvements or fixtures, made or installed by the Purchaser to the Purchased Dwelling or any furnishings or personal property placed, kept or stored by the Purchaser in or on the Purchased Dwelling (all of which improvements, fixtures, furnishings and personal property are herein collectively in this Section 11.3 called the "Improvements") resulting from any act or omission to act of the Vendor or anyone under its direction or Control or anyone for whom in law the Vendor may be responsible, in completing outstanding matters of, or deficiencies in construction; (ii) any damage or delays and attendant costs caused by the Purchaser or any Person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment; (iii) any damage caused by the use of a Dwelling by the Purchaser, or the Purchaser's Responsible Parties; (iv) any damage to the Development and/or Dwellings caused by natural ground settlement, or drying out or natural aging of materials; and (v) any damage to the Development or Dwellings caused by the leakage of water or rupture of pipes, back up of services or other malfunction of plumbing or service systems. The Purchaser hereby releases and forever discharges the Vendor or any person authorized by the Vendor, the Vendor's successors and assigns, or any person authorized by them, from all actions, suits, claims relating to the damages as aforesaid.

Section 11.4 Shading, Etc.

The Purchaser acknowledges that variations from Vendor's samples may occur in finishing materials/colours selected due to tonal range, dye, natural materials and normal production process. The Vendor is not responsible for shade or colour differences occurring in: the finish of items such as, but not limited to, countertops, tiles, backsplash, flooring, floor coverings, cladding, roof coverings, bath tubs, sinks, faucets and such other products where the product manufacturer establishes the standard for such finishes; products that may alter the colour of any finish applied thereon such as, but not limited to, wood, stone, shelves, railings, trim, laminate, cabinets; and products that are made up of different components designed to be assembled together such as, but not limited to toilets, toilet seats, cabinet fixtures. The Purchaser acknowledges and agrees that where adjoining rooms or areas are finished in different floor materials, there may be a difference in elevation between the rooms or areas and the Vendor may at its sole, absolute and unfettered discretion, install a threshold as a method of finishing the connection between the two (2) rooms or areas.

The Purchaser acknowledges and agrees that all light coloured materials, especially flooring, may be subject to fading or yellowing after use or exposure to sunlight and such fading or yellowing will not be covered by any warranty. The Purchaser further acknowledges that light coloured and white carpeting may be subject to discolouring at walls and sub-floor joints due to the filtering process that occurs with forced air heating, generally caused by pollutants and candles and both exterior and interior air quality is not covered by any warranty provided for herein.

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

Article 12 PURCHASER DEFAULT AND VENDOR'S REMEDIES

Section 12.1 Indemnity

The Purchaser agrees to indemnify and save the Vendor harmless from any Costs, arising out of, by reason of or in relation to any breach by the Purchaser or the Purchaser's Responsible Parties of any of the terms and provisions of this Agreement, and at the sole option of the Vendor, the Vendor may rectify any breach of this Agreement at the sole cost of the Purchaser payable forthwith upon demand. This indemnity shall survive the Closing of the Transaction and any termination of this Agreement.

Section 12.2 Default by Purchaser

The Purchaser shall be deemed to be in default under this Agreement in each and every of the following events, namely:

- upon the non-payment of all or any portion of the Deposit or Purchase Price, or any other sum due pursuant to this Agreement, on the dates and/or times that same are required to be paid. Such payment shall bear interest at a rate equal to 8% per annum above the Prime Rate, 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 dates) charged by any Canadian Bank designated by the Vendor from time to time as the interest rate on loans made in Canadian dollars to its customers in Canada as the same is adjusted from time to time. The Purchaser shall pay all Costs associated with a breach or Default of this Agreement;
- upon a breach of, or failure in the performance or observance of any covenant, representation, warranty, acknowledgement, obligation, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser;
- upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser, being charged against, registered or affecting the Development or the Purchased Dwelling; and/or
- if the approval of the Purchaser by the mortgagee of the mortgage referred to in Section 2.3 is withdrawn or not available, for any reason which is not a default of the Vendor pursuant to this Agreement.

It is understood and agreed that the rights of the Vendor contained in paragraph 12.2 are in addition to any other rights 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, 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 rights or rights at law, in equity or in this Agreement.

Section 12.3 Evidence of Default

A certificate of an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been sent to the Purchaser pursuant to Section 14.1, shall be prima facie evidence of the facts therein stated.

Section 12.4 Vendor's Remedies

- In the event of a default by the Purchaser, then, in addition to any other rights or remedies which the Vendor may have at law or in equity, the Vendor, at its option, shall have the right to terminate and declare this Agreement null and void by providing written notice to the Purchaser and this Agreement shall be null and void as of the date that the Vendor sends such written notice. In such event, all monies paid hereunder (including but not limited to, administrative fees, and the Deposits and payments for extras, upgrades and changes ordered by the Purchaser whether or not installed in the Purchased Dwelling, and all of the foregoing either paid and agreed to be paid by the Purchaser pursuant to this

Agreement, which sums shall be accelerated on demand of the Vendor) together with interest thereon, shall be forfeited to the Vendor either as liquidated damages or otherwise at the sole option of the Vendor, and not as a penalty, without prejudice to and in addition to any other rights of the Vendor at law or in equity, and it shall not be necessary for the Vendor to prove any damages suffered by it in order for the Vendor to retain the aforesaid monies and the Purchaser hereby acknowledges and agrees that the forfeiture as aforesaid is reasonable and proportionate to the damages suffered by the Vendor without the Vendor having to prove or substantiate any damages incurred. The Purchaser shall not claim that it is unconscionable for the Vendor to retain the aforesaid amounts as liquidated damages and the Purchaser agrees that the Vendor may rely upon and raise the foregoing as an estoppel to any such claim by the Purchaser. The Vendor shall, in addition to retaining all monies paid by the Purchaser hereunder be entitled to claim damages from the Purchaser.

- (b) In the event the Purchaser fails to make payment as and when required pursuant to the terms of this Agreement including, without limitation, HST or HST Rebate, Deposits, all or part of the Purchase Price, cost of upgrades and extras, the payment amount shall bear interest at a rate equal to 12% per annum, calculated from the due date to the date of payment, calculated daily and compounded monthly, not in advance, with interest on overdue interest at the same rate as interest and payable upon demand by the Vendor, and such amount due together with interest at the aforesaid rate shall be a charge on the Purchased Dwelling. The Purchaser shall pay all Costs associated with a breach or default of this Agreement.
- (c) In the event that the Purchaser is in default under this Agreement for any reason, and thereafter cures or rectifies such default(s) to the satisfaction of the Vendor prior to delivery by the Vendor or the Vendor's Solicitor of written notice of termination of this Agreement as a consequence of such default, then the Purchaser shall be required to pay to the Vendor on closing as an adjustment on the Statement of Adjustments on the final Closing of this Transaction, for all legal fees, and disbursements incurred by the Vendor and charged by the Vendor's Solicitor in relation to all correspondence and dealings with the Purchaser and/or the Purchaser's Solicitor in connection with the Purchaser's default and/or rectification thereof.
- (d) In the event that the Purchaser is in default under this Agreement for any reason, and thereafter cures or rectifies such default(s) to the satisfaction of the Vendor prior to delivery by the Vendor or the Vendor's Solicitors of written notice of termination of this Agreement as a consequence of such default, then the Purchaser shall be required to pay to the Vendor on Final Closing as an adjustment on the Statement of Adjustments on the Final Closing of this transaction for all legal fees, and disbursements incurred by the Vendor and charged by the Vendor's Solicitors in relation to all correspondence and dealings with the Purchaser and/or the Purchaser's solicitor in connection with the Purchaser's default and/or rectification thereof which reimbursement shall be in the amount of Eight Hundred and Fifty Dollars (\$850.00) plus Applicable Taxes.
- (e) In addition to any other rights of the Vendor contained in this Agreement, with respect to any amounts owing or payable by the Purchaser to the Vendor pursuant to this Agreement, the Vendor shall have the right to a vendor's lien, and to register a charge against the Purchased Dwelling, which charge may (in addition to any other remedy) be enforced by the Vendor as a mortgagee holding a mortgage in default under the *Mortgages Act (Ontario)*.

Section 12.5 Documents if Transaction Does Not Close

If the Transaction is not completed for any reason other than a default of the Vendor and notwithstanding refund or forfeiture of all or part of the Deposits and any other amounts paid by the Purchaser under this Agreement, the Purchaser shall execute and deliver such documents affecting title to the Development as are necessary in the opinion of the Vendor's Solicitors to resell the Purchased Dwelling, and a release with respect to this Agreement in a form designated by the Vendor. In the event the Purchaser fails or neglects to execute and deliver such documents, the Purchaser hereby authorizes the Vendor as its true and lawful attorney to so execute the said documentation. In the event the Vendor's Solicitors is holding in trust any of the Deposits or any other amounts or monies paid by the Purchaser pursuant to this Agreement, then in the event of default as aforesaid, the Purchaser hereby releases the Vendor's Solicitors and from any obligation to hold in trust such Deposit and monies and shall not make any claim whatsoever against the Vendor's Solicitors and the Purchaser hereby irrevocably directs and authorizes the Vendor's Solicitors to deliver the said Deposit and monies and accrued interest, if any, to the Vendor.

Section 12.6 Rights of Vendor

It is understood and agreed that the rights of the Vendor contained in this Article 12 are in addition to any other rights which the Vendor may have at law, in equity or under any other provisions of this Agreement. All rights and remedies in favour of the Vendor shall be cumulative, and shall be in addition to every other right or remedy conferred upon or reserved to the Vendor pursuant to this Agreement or at law or in equity or by statute. The Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, 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. Every right or remedy conferred upon or reserved to the Vendor by this Agreement may be exercised by the Vendor from time to time, as often as may be deemed expedient by the Vendor.

Section 12.7 Beneficial Ownership

In the event that the person(s) executing this Agreement as Purchaser have done so for a disclosed or undisclosed beneficiary or principal, such person(s) executing this Agreement shall nevertheless be liable to the Vendor for the Purchaser's obligations under this Agreement and shall be deemed and construed to constitute a personal guarantee of such signee with respect to the obligations of the Purchaser herein, and such person shall also be obliged to unconditionally guarantee any mortgages required to be given by the Purchaser on Closing in accordance with the terms of this Agreement, and such signee shall not plead such agency, trust relationship or other relationship as a defence to such liability.

Section 12.8 Waiver

The Vendor may in its sole, absolute and unfettered discretion grant a written waiver of any breach of any provision in this Agreement. No waiver, written or otherwise, of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall such waiver constitute a continuing waiver, and any waiver whether written or otherwise shall be without prejudice to and in addition to the Vendor's rights under this Agreement, at law or in equity. The Vendor's failure to notify the Purchaser of a default shall not constitute a waiver of such default.

Article 13 RISK AND TERMINATION

Section 13.1 Risk of Purchased Dwelling

The Purchased Dwelling shall be and shall remain at the risk of the Vendor until Closing. In the event of substantial damage to the Development prior to the Closing Date, the Vendor may, in its sole, absolute and unfettered discretion, either: (i) terminate this Agreement and return to the Purchaser all Deposits heretofore paid by the Purchaser to the Vendor if the damage to the Development has frustrated this Agreement at law, in accordance with the Tarion Addendum and upon such termination the Vendor shall be relieved of all liability pursuant to this Agreement or to the Purchaser; or (ii) make such repairs as are necessary and complete this Transaction, it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

The Purchaser acknowledges and agrees that any damage to the Dwellings or the Development caused by any act or omission of the Purchaser or the Purchaser's Responsible Parties and any Costs relating thereto, shall be for the Purchaser's account and the Purchaser agrees to fully indemnify the Vendor for all Costs incurred by the Vendor in this regard.

Section 13.2 Termination

In the event that this Agreement is terminated through no fault of the Purchaser, then upon the execution by the Purchaser of mutual releases in the form provided by the Vendor in which the Purchaser releases the Vendor, surety lenders and/or any other third party, the Deposits shall be returned to the Purchaser. The Purchaser further acknowledges that the Vendor shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, professional fees and disbursements, opportunity costs, loss of bargain or any other damages or costs incurred by the Purchaser, directly or indirectly. The Purchaser acknowledges that this provision may be pleaded by the Vendor as a complete defense to any claim which may be made by the Purchaser against the Vendor.

Article 14 NOTICES

Section 14.1 Address for Notices

Except as specifically provided for in this Agreement, any notice, statement, document or other communication required to be given to any party or parties pursuant to the provisions of this Agreement shall be sufficiently given if such notice, statement, document or other communication is in writing and is delivered by hand or courier to such party or parties or sent by regular mail or registered prepaid post addressed to such other party or parties, or is sent by fax or electronic transmission as follows:

To the Vendor:

361 Connie Crescent, Suite 200,
Concord, ON, L4K 5R2
Tel: (905) 764-1983 | Fax: (905) 764-3872

or as same may be updated from time to time

To the Purchaser:

at the address, fax number or other electronic address, indicated Page 1 of this Agreement or on Page 2 of the Tarion Addendum, or as same may be updated from time to time;

or to any solicitor acting on the Purchaser's behalf;

or to such other address for such party or parties as any of them may give to the other in writing from time to time.

Any such notice, statement, document or other communication delivered, sent by electronic mail, or sent by fax if transmission is confirmed to be successful by a transmission report shall be deemed to have been validly and effectively given and received on the date of delivery or transmission to such other party if delivered, or sent prior to 5:00 p.m. on a Business Day, or if delivered, or sent after 5:00pm on a Business Day or if delivered or sent on a day which is not a Business Day then such notice, statement, document or other communication shall be deemed to have been validly and effectively given and received on the next Business Day. If any notice, statement, document or other communication is sent by registered mail, then it shall be deemed to be validly and effectively given and received on the fourth day following the date of mailing; and if sent by regular mail, it shall be deemed to be validly and effectively given and received on the fourth day following the date of mailing. In the event that the post office is on strike or if postal delivery is interrupted, such notice, statement, document or other communication shall be delivered and the provisions with respect to notice by registered mail shall not be applicable. The Purchaser consents to the use, provision and acceptance of information and documents in an electronic format. Notwithstanding the foregoing, written notice required under the Tarion Addendum shall be given and received in accordance with the Tarion Addendum.

Article 15 MISCELLANEOUS

Section 15.1 Binding Agreement

This Agreement, when executed by all parties to this Agreement shall constitute a binding contract of purchase and sale and time shall in all respects be of the essence hereof. IT IS AGREED THAT THERE IS NO REPRESENTATION, WARRANTY, COLLATERAL AGREEMENT OR CONDITION AFFECTING THIS AGREEMENT OR THE PURCHASED DWELLING OR SUPPORTED HEREBY OTHER THAN AS EXPRESSED HEREIN IN WRITING. This Agreement supersedes and revokes all previous negotiations, arrangements, letters of intent, brochures, sales and marketing materials, representations, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other Person purporting to represent the Vendor or Purchaser. No amendment, supplement, modification or termination of this Agreement shall be binding unless executed in writing by the Purchaser

and the Vendor, save and except for any termination of this Agreement that arises under the express terms hereof. The Purchaser has not been induced to enter into this Agreement by, nor is the Purchaser relying on, any representation, understanding, agreement, commitment or warranty outside those expressly set forth in this Agreement. The Purchaser acknowledges that the new home industry is multi-faceted and complex and that while sales personnel or agents may be knowledgeable about most issues regarding the purchase and construction of a new home, they cannot be expected to know all aspects in detail. The Purchaser is encouraged to have this Agreement reviewed by the Purchaser's solicitor prior to signing same. The Purchaser acknowledges having read all paragraphs, sections, and schedules of this Agreement.

Section 15.2 Residency

The Vendor hereby represents that it is not a non-resident within the meaning of Section 116 of the ITA. The Purchaser hereby represents that the Purchaser is not a non-resident of Canada within the meaning of the ITA. If the Purchaser is not a resident of Canada for the purposes of the ITA, the Vendor shall be entitled to withhold and remit to Canada Revenue Agency the appropriate amount of interest payable to the Purchaser on account of the deposits paid pursuant to this Agreement.

Section 15.3 Interpretation and General Contract Provisions

(a) Gender

This Agreement is to be read with all changes of gender or number (if more than one Purchaser) required by the context.

(b) Sections and Headings

All references to Articles, Sections, and Schedules means that found in this Agreement, unless otherwise specified. The headings used in this Agreement are for convenience of reference only and are not to be considered a part of this Agreement and do not in any way limit or amplify the terms and provisions of this Agreement.

(c) Extended Meanings

The words "hereof", "herein", "hereunder" and similar expressions used in any Section or Subsection of this Agreement relates to the whole of this Agreement and not to that section or subsection only, unless the context indicates otherwise. In this Agreement, "includes" means "includes, without limitation"; "including" means "including, without limitation"; "without any set-off" means "without any set-off, notice, demand, claim, counterclaim, defence, deduction, delay, alteration, diminution, compensation, recoupment or abatement whatsoever"; "Purchaser shall not" means "Purchaser shall not cause, suffer or permit"; "Purchaser agrees" means "Purchaser expressly acknowledges, covenants and agrees".

(d) Non-Merger

The Vendor and Purchaser covenant and agree that all covenants, warranties, and agreements made by the Purchaser herein shall not merge on the Closing of the Transaction but shall remain in full force and effect according to their respective terms until all outstanding obligations of each of the parties hereto have been duly performed or fulfilled in accordance with the provisions of this Agreement. Notwithstanding that the Vendor may at its option, require the Purchaser to execute a non-merger agreement on Closing, the Purchaser hereby expressly acknowledges and agrees that no further written assurances evidencing or confirming the non-merger of the covenants, warranties and agreements of the Purchaser in this Agreement shall be required and the Vendor may rely exclusively on the Purchaser's acknowledgement contained in this Section as to the survival of the covenants, warranties and agreements made by the Purchaser in this Agreement.

(e) Time of the Essence

Time shall be of the essence in this Agreement, except as herein otherwise provided.

(f) Severable Covenants

If any provision of this Agreement or the application to any circumstances shall be held to be invalid, illegal or unenforceable under any Law, then such term, covenant or condition: (a) is deemed to be independent of the remainder of the Agreement and to be severable and divisible therefrom and its invalidity, unenforceability or illegality does not affect, impair or invalidate the remainder of the Agreement or any part thereof; and (b) continues to be applicable to and enforceable to the fullest extent permitted by law against any Person and circumstances other than those as to which it has been held or rendered invalid, unenforceable or illegal.

(g) Counterparts

This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and all such counterparts together shall constitute one and the same instrument and shall be effective as of the formal date hereof.

(h) Fax Execution

This Agreement may be executed by one or more of the parties by fax or electronic mail and all parties agree that the reproduction of signatures by way of fax device or e-mail will be treated as though such reproductions were executed originals. It is expressly acknowledged and agreed that the Vendor's provision, delivery and/or execution of any documents in connection with the Final Closing of this Transaction (including without limitation, the Vendor's provision and delivery of any notices and/or documents that may be required to be in writing), may, at the Vendor's sole option, be made or manifested in an electronic format and/or executed by way of electronic signature of any such documents (undertaken by or through a computer program, or by any other electronic means) as expressly provided or contemplated by the *Electronic Commerce Act 2000*, S.O. 2000, as amended. The terms "electronic signature" and "electronic" shall have the meanings respectively ascribed to such terms in the *Electronic Commerce Act 2000*, S.O. 2000, as amended. Provided however, that should the Vendor require an original signature at any time to further evidence such agreement, the Purchaser hereby covenants and agrees to provide same forthwith upon the Vendor's request.

(i) Governing Law

This Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the parties attorn exclusively to the jurisdiction of the courts of the Province of Ontario in the City of Toronto.

(j) Legislation

A reference to any legislation shall include reference to all regulations thereunder, any amendments thereto, and any statute which replaces or supersedes it.

(k) Time Zones/Time Periods

Any reference in this Agreement to a specific time shall refer to the time in the time zone where the Property is located.

(l) Statutes and Regulations

Any reference to a statute in this Agreement includes a reference to all regulations made pursuant to such statute, all amendments made to such statutes and regulations in force from time to time and in the event that any statute (the "Existing Statute") has been amended or replaced, then such reference in this Agreement to the Existing Statute shall be deemed to refer to any replacement or amended statute, provided that any terms, condition, procedure or anything else contained in this Agreement (the "Grandfathered Provisions") have been grandfathered under the replacement or amended statute shall continue to refer to such Grandfathered Provisions.

Section 15.4 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon the parties hereto, their heirs, estate trustees, administrators, successors and permitted assigns. The Vendor may at any time assign all of its right, title, interest and obligation under this Agreement on such terms and conditions as the Vendor may in its sole, absolute and unfettered discretion deem appropriate and without the consent of the Purchaser. The Purchaser shall not sell or transfer the Purchased Dwelling or assign its interest in this Agreement or the Purchased Dwelling prior to that date which is 180 days after the date of completion of the transaction contemplated in this Agreement.

Section 15.5 Costs of Registration and Taxes

The Purchaser agrees to pay the cost of registration of his own documents and any tax in connection therewith. The transfer is to be prepared at the 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. Notwithstanding the generality of the foregoing, but subject to Section 7.5 the Purchaser agrees to pay the land transfer tax in connection with the registration of his transfer, and undertakes to register the transfer on Closing and the Purchaser shall also pay and be responsible to the complete exoneration of the Vendor of all other taxes (including any increase in any component of the Applicable Taxes) imposed on the Purchased Dwelling or the purchase of the Purchased Dwelling, by any Governmental Authority, or otherwise by statute, regulation or by law.

Section 15.6 Postponement and Subordination

The Purchaser acknowledges that the Vendor is or may be borrowing money from a financial institution to be secured by one or more charges to be registered against the Development and agrees that this Agreement, any interest of the Purchaser in this Agreement, the Development (whether such interests are in equity or at law), any and all Deposits or other monies paid or to be paid by the Purchaser pursuant to this Agreement, any purchasers' lien arising by the terms of this Agreement or from the payment of any Deposit or any other monies pursuant to this Agreement or arising by operation of law, are hereby subordinated and postponed to and will be subordinated and postponed to any mortgages, charges, debentures, security interests and trust deeds registered or to be registered against title to the Development including the charging of any chattels in or on the Development and any advances thereunder made from time to time, and to any easement, licence or other agreements to provide services to the Development or to any lands adjacent thereto and owned by the Vendor. The Purchaser agrees to execute any and all documentation necessary to give full force and effect to same forthwith after being requested to do so by the Vendor.

Section 15.7 Limitation

The Purchaser acknowledges and agrees that notwithstanding any rights which he might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise) against any other person, firm, corporation or other legal entity other than the Vendor, corporations specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another Person, or a trust for and on behalf of another Person, and this acknowledgement and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any such rights, claims, or causes of action against any such third parties. Furthermore, the Purchaser and the Vendor acknowledge that this Agreement shall be deemed to be a contract under seal.

Section 15.8 Personal Attendance

Notwithstanding anything to the contrary in this Agreement, the Purchaser acknowledges and agrees that the Purchaser shall be required to personally attend at the Vendor's sales office or such other place of business as may be designated by the Vendor, in order to:

- (a) Receive a copy of the fully executed Agreement, signed by both the Purchaser and the Vendor; and
- (b) Execute and deliver to the Vendor's sales agent or representative, an acknowledgement of receipt of a copy of this fully executed Agreement.

FOR INFORMATION ONLY

Schedule "A" –30' & 36' Detached Homes Features and Finishes

QUALITY CONSTRUCTION AND EXTERIORS

1. Architecturally inspired exterior elevations which may include genuine clay brick, brick detailing, precast sills as well as horizontal or vertical vinyl siding, vinyl shaker style siding and accents, decorative painted panels and trim as per elevations
2. Main level side and rear walls are brick cladding with upper level horizontal or vertical vinyl cladding on Elevation "A" and all brick cladding to upper level of Elevation "B" and "C", as per elevation.
3. Prefinished siding, soffits, fascia, eavestroughs, and downspouts, as per elevation.
4. All exterior colour packages are preselected and architecturally controlled.
5. Self-sealing 25-year roof shingles (manufacturer's limited warranty), and Metal standing seamed roofing as per elevation.
6. Featuring wood framed wall construction, with tongue and grooved sub-floor sheathing. Floors are glued, sanded, and fastened with screws.
7. Poured concrete lower level walls, with dam-proofing drainage membrane.
8. The home is fully insulated with the use of either fiberglass or mineral wool and energy efficient spray foam insulation where required and in accordance with The Ontario Building Code Specifications. Spray foam insulation is used to seal all windows and doors to prevent air infiltration.
9. Covered front porches or porticos or architectural entry details with poured concrete porch slab (as per applicable plan and elevation). Aluminum Railings only where grade requires.
10. All windows are energy efficient Low e/argon, semi maintenance free colour matched vinyl casements. (fixed and operating panes, colours are predetermined). Weather stripping and screens on all operable windows, including lower level.
11. White vinyl thermal pane in lower level (as per applicable plan).
12. Contemporary style metal insulated front doors with glass door lights (as per applicable elevation), with front door grip set and security dead bolt.
13. Exterior sliding patio door to rear yard (as per applicable plan).
14. All exterior doors and windows are fully caulked for energy conservation and draft prevention.
15. Garage access door to interior as per applicable plan and installed only if grade permits.
16. Where required, foyer or mud room floors may be sunken to accommodate lot grading conditions.
17. Engineered wood panel garage door(s) with decorative garage door light(s), (as per applicable elevation).
18. Garage walls and ceilings of habitable areas are drywalled and taped (concrete and block areas excluded, drywall not sanded or painted).
19. Decorative address plaque.
20. Two exterior water taps, one at garage and one at rear. Two exterior waterproof electrical outlets, one at front porch and one at rear.
21. Fully graded and sodded lot in accordance to the requirements set out by the municipality approved lot grading plan.
22. Patterned precast concrete slabs to exterior door landings complete with precast step(s) (as per applicable elevation and required by grading).
23. A two staged Asphalt Paved Driveway (Basecoat and Topcoat)¹.
24. Where rear deck conditions are required at rear patio door due to grading the purchaser will receive a pressure treated wood deck with stairs to grade included in the applicable premium.
25. Where look-out basement conditions are required due to grading the purchaser will receive a pressure treated wood deck from the main level rear patio door with stairs to grade, and vinyl casement windows in the rear lower level included in the applicable premium. (Window sizes are determined by Cachet Homes.)
26. Where walk-out basement conditions are required due to grading the purchaser will receive a pressure treated wood balcony from main level patio door, a vinyl sliding patio door from the lower level, vinyl casement windows in the rear lower level, an additional exterior light and electrical outlet, additional brick, framing and insulation included in the applicable premium. (Window sizes are determined by Cachet Homes.)

INTERIOR FINISHES

27. **9-foot-high ceilings on main level** and 8-foot-high ceilings on upper level, except in sunken or raised areas, stairways and where there are raised, dropped or cathedral ceilings. As per plan.
28. **Contemporary +/- 2 3/4" casings and +/- 4" baseboards**
29. Interior door hardware lever type in Brushed Nickel.
30. Master ensuite, powder room and bathroom doors include privacy locks.
31. All interior walls are painted in a choice of 1 colour throughout from builder's standard colour selections. All paints used are latex finish. All interior doors and trim to be painted with white semi-gloss paint.
32. **Smooth ceilings in Kitchen, Laundry Room and all bathrooms. California knockdown ceiling with +/- 4" smooth border in all other rooms and areas.**
33. Homes to receive staircases with oak stringers in a natural varnished finish and carpeted treads and risers from main to upper level (as per applicable plan).
34. Oak handrail in natural varnished finish complete 3- 1/2" square newel post and 1-5/16" oak spindle in natural varnished finish.
35. Imported ceramic tiles (12"x12" or 13"x13") in foyer, main hall, powder room, kitchen, breakfast room, all bathrooms, finished laundry room areas and mud rooms (as per applicable plan).
36. Pre-finished +/- 3 1/4" x +/- 3/4" hardwood flooring in natural varnished finish, on main level excluding tiled areas.
37. 40oz. broadloom with cushion under-pad to upper level hallway, bedrooms and closet areas. Purchasers choice of 1 colour throughout (as per applicable plan).
38. Wire closet shelving installed in all closets.

KITCHEN FEATURES & FINISHES

39. **Extended height upper Kitchen cabinets (+/- 36") in a selection of door styles and finishes and one (1) bank of drawers.**
40. **Choice of 2cm Granite or Quartz countertop from vendors standard samples.**
41. **Two-speed exterior 6" vented stainless steel hood fan over stove.**
42. **Double stainless-steel undermount sink with single lever pull out spray faucet.**
43. Open under-counter space for dishwasher complete with, rough-in for electrical and plumbing.
44. **Convenient flush extended breakfast bar (as per applicable plan).**
45. Served with base and upper cabinets and/or pantry (as per applicable plan).

BATHROOMS FINISHES

46. Bathroom vanities in a selection of door styles and finishes with Laminate countertops.
47. Choice of 12"x12" or 13"x13" imported ceramic tile flooring and choice of 8"x 10" imported ceramic wall tiles in shower and tub enclosures. Master Ensuities with separate tub to have matching 12"x 12" or 13"x13" floor tile on tub skirt, deck and one row in height surrounding tub (as per applicable plan).
48. White bathroom fixtures in all bathrooms.
49. **Master Ensuite stand up shower features a chrome trim separate glass shower enclosure with door, waterproof pot light and marble threshold. Ceramic tile on walls and ceiling with semi-white mosaic type ceramic flooring.**



Schedule "A" –30' & 36' Detached Homes Features and Finishes

50. White ceramic accessories including towel bar, toilet tissue roll and shower soap dish in all bathrooms.
51. White water saving toilets in all bathrooms.
52. Posi-temp pressure balanced tub and shower faucets.
53. Elegant white pedestal sink in powder room, as per applicable plan.
54. Over vanity mirrors with strip light fixtures in all bathrooms.
55. Exhaust fans in all bathrooms.
56. Single lever faucets to all bathroom basins and pedestal sink.
57. Shut off valve to all faucets.
58. Acrylic bathtubs in bathrooms (as per applicable plan).

LAUNDRY ROOM FINISHES

59. White laundry base cabinet for laundry tubs in finished laundry areas with single basin acrylic laundry tub, complete with faucet as per applicable plans. Laundry tubs in lower level areas are free standing without base cabinetry.
60. Hot and cold laundry connections and drain rough-in for washer.
61. Separate electrical outlets for washer and dryer.
62. Dryer vent rough-in to exterior.

MECHANICAL, ELECTRICAL AND NATURAL GAS COMPONENTS

63. **Forced air natural gas heating with high efficiency furnace and electronic ignition.**
64. **Heat Recovery Ventilator (HRV), basic install.**
65. **Energy saving Programmable Thermostat centrally located on main level.**
66. Ducting sized for future air conditioning.
67. **Drum style humidifier to assist with balancing humidity levels.**
68. High efficiency gas operated power vented hot water heater. Rental unit. (Purchaser to sign rental agreement prior to possession).
69. **200-amp electrical service breaker panel in Detached homes with copper wiring throughout in accordance with ESA and OBC requirement.**
70. Standard light fixtures provided throughout (except living and dining room).
71. Switch controlled receptacle in living room and capped outlet in dining room ceiling (as per applicable plan).
72. Automated smoke and carbon monoxide detectors (as per Ontario Building Code).
73. Electric door chimes at front door.
74. Electrical ceiling outlet for future garage door opener and light in garage.
75. White Decora light switches and electrical outlets throughout.
76. Electrical receptacle with integrated USB port in kitchen.
77. 220-volt outlet for stove.
78. Electrical counter outlets for small appliances at counter level
79. Ground fault interceptor protection in all bathrooms and powder room.
80. Polyethylene (PEX) water supplies and ABS drains.
81. Pre-wiring rough-in for television cable (3 RG6), telephone (2), data (2 cat 5e).

GENERAL FEATURES AND WARRANTIES

82. Cachet Homes has been building homes of the highest quality for nearly 40 years and offers a complete customer service program.
83. The Tarion Warranty Program offers:
 - i. Seven (7) Year protection on structural defects*
 - ii. Two (2) Year protection on mechanicals and materials including electrical, - plumbing, heating and distribution systems, all exterior cladding, windows, and doors*
 - iii. One (1) Year protection on workmanship and material defects*
84. Cachet Homes shall provide all warranties offered by its reputable component suppliers for roofing, hardware, electrical, plumbing, heating, cooling, and mechanical systems, including other key elements, as applicable.
85. The Purchaser acknowledges that any features, materials, or decorations contained in Cachet's sales office, marketing materials, artist renderings or model homes may include features, decorations, fixtures and chattels that are not intended to be included in the dwelling and such features, decorations, fixtures and chattels shall not be included in the dwelling or under this Agreement unless expressly provided for herein or in any schedules forming part of the Agreement.
86. The Purchaser acknowledges that wood grain, stone, porcelain, or marble finishes and other natural materials to be installed within the Dwelling may vary from Cachet's samples selected in texture, finish appearance and consistency due to the natural composition of these products and therefore agrees to accept all inherent cosmetic variations of such natural products. Should substitution of any colour or material selections specifically chosen by the Purchaser become necessary, the Purchaser will re-select such substitute material from Cachet's standard samples.
87. The Purchaser acknowledges that the specifications and finishes in home(s) located at Cachet's other projects may differ from the specifications in model homes and new homes being purchased at the project that is the subject of this Agreement. Cachet reserves the right to substitute materials with that of equal or better quality.
88. All interior selections will be made at Cachet's Décor Studio during business hours from Monday – Friday by private appointment. Cachet is pleased to provide a comprehensive décor service program to assist Purchasers in the selection of interior finishes. All interior selections will be made during a private appointment with a Cachet Décor Consultant where standard finishes can be selected, or optional upgrades are available for purchase during the private appointment.
89. All references to sizes, measurements, materials, construction styles, trade/brand/industry names or terms may be subject to change or variation within generally accepted industry standards and tolerances. Measurements may be converted from imperial to metric or vice versa and actual product size may vary slightly as a result. All references to features and finishes are as per applicable plan, model type or elevation, and each item may not be applicable to every home. Locations of features and finishes are as per plan or at Cachet's sole discretion.
90. Ceiling height may not be as outlined in the features and finishes list in some areas due to mechanical, electrical, plumbing, or structural requirements. As a result, some ceiling areas on each level may be lowered to accommodate those requirements. Some areas may be subjected to the use of bulkheads, boxes, archways or beams and Purchaser agrees to unconditionally accept any and all of the required bulkheads, boxes, archways or beams wheresoever situated.
91. Selection of all features and finishes where the purchaser is given the option to select the style and/or colour, shall be made from Cachet's predetermined standard selections

*As stated by the Tarion Warranty's Construction Performance Guidelines

†Purchaser shall pay for the Topcoat as an adjustment on Closing.



Schedule "C" - WARNING CLAUSES & RESTRICTIONS

The Purchaser hereby unconditionally acknowledges that he is aware of the warning clauses and notices set out below and any other schedules, and confirms that he does not object, in any manner whatsoever, to any of these matters, warning clauses and notices. The Purchaser acknowledges that there may be errors or changes to the warning clauses and notices in this Agreement as the development progresses.

The Purchaser acknowledges that, without limiting the generality of the provisions of the Agreement, that restrictions, which may include but which shall not be limited to the following, may be registered against the title to the Purchased Dwelling by the developer or Vendor and agrees to accept title subject to the same and further agrees to abide by such restrictions whether actually registered on title or not.

The Purchaser acknowledges and agrees that there may be additional warning clauses and notices required to be inserted by Governmental Authorities which may relate to, *inter alia*, noise, odour, pollution, proximity of the Development to major streets or public transit facilities, factories, vibration exposure and similar matters and/or to the matters described herein and such additions shall not be and shall not be deemed to be a material change.

The Purchaser hereby waives and releases any claims that the Purchaser may have against the Vendor with respect to the aforementioned matters, warning clauses, and notices and any additional matters, warning clauses or notices as referred to at a future date. The Purchaser acknowledges and agrees that the notices and warning clauses set out herein and any additional notices and warning clauses may be registered on title to the Dwellings or the Development.

Except where otherwise specifically restricted to specific named lands, blocks or lots, the warning clauses and notices set out herein apply to all of the Property.

The Purchaser covenants and agrees that it will ensure that all of the notice provisions shall be included in any lease, sublease, or agreement of purchase and sale to any subsequent lease or purchaser, ad infinitum.

SCHOOLS

- 1) Whereas the Waterloo Region District School Board (the "Board"), has designated this subdivision as a Development Area for the purposes of school accommodation and despite the best efforts of the Board, sufficient accommodation may not be locally available for all students anticipated from the Development and that students may be accommodated in facilities outside the area, and further, that students may later be transferred. If bussing is provided by the Board in accordance with the Boards' policies, students will not be bussed home or to school, but will meet the bus at designated locations in or outside of the area.
- 2) Unless the provincial funding model provides sufficient funds to construct new schools, there can be no guarantee or assurance as to the timing of new school construction nor a guarantee that public school accommodation will be provided within the development area notwithstanding any designation of a school site.

TRAFFIC & TRANSIT

- 3) There may be a high volume of traffic on the streets located near the Development which may affect vehicular access to and from the Development.
- 4) There are bus routes located in close proximity to the Development which may result in high pedestrian and vehicular traffic.
- 5) In the future, there may be light rail transit, subways or other mass transit systems in close proximity to the Development which may result in high pedestrian and vehicular traffic.
- 6) Canadian National Railway Company or its assigns or successors in interest or its affiliated railway companies (collectively "CNR") may have a right-of-way within 300 metres from the Dwellings. There may be alterations to or expansions of the railway facilities on such rights-of-way in the future including the possibility that CNR may expand its operations, which expansion may affect the living and business environment of the residents, tenants and their visitors, employers, customers and patients 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.

NOISE ABATEMENT

- 7) 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 the Environment;
- 8) Due to the construction of the Development, there will be a certain amount of noise, and dust and other debris which may accumulate. The Owners agree that they will not interfere with the construction of the Development or the trades, as they carry out their work with respect to the Development.
- 9) Sound levels from neighbouring uses and/or road traffic from adjacent highways, roads, railways, and public transit may continue to be of concern, occasionally interfering with some activities of the dwelling occupants as the sound level exceeds the Ministry of Environment's and the Municipality's noise criteria.
- 10) Purchasers are advised that due to the proximity of the nearby commercial and retail facilities, sound levels from the facilities may at times be audible.
- 11) Purchasers and tenants are advised that despite the inclusion of noise control features in the development and/or within the building units, sound levels due to increasing road and rail traffic may continue occasionally interfere with some activities of the dwelling occupants as the sound levels exceed the City's and Ministry of Environment and Climate Change's noise criteria. The acoustical barrier as installed shall be maintained, repaired or replaced by the owner. Any maintenance, repair or replacement shall be with the same material, to the same standards and having the same colour and appearance of the original.
- 12) Purchasers are advised and hereby put on notice that in the event a noise attenuation berm/fence is required to be located in the side or rear yard abutting a Dwellings, the said noise attenuation berm/fence shall not be altered or removed. It shall be the obligation of the owners of such Dwellings to maintain and keep in good repair the noise attenuation berm/fence or portion thereof.
- 13) Purchasers/tenants are advised that, despite the inclusion of noise control features in the development and/or within the building units, the sound levels due to increasing road traffic may occasionally interfere with some activities of the Dwelling occupants as the sound levels exceed the Municipality's and the Ministry of the Environment and Climate Change's noise criteria.
- 14) 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 be remain closed, thereby ensuring that the indoor sound levels are within the sound level limits of the Municipality and the Ministry of the Environment and Climate Change.
- 15) This unit has been supplied with a central air conditioning system which will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the noise criteria of the Municipality and the Ministry of the Environment and Climate Change.

SERVICES AND PUBLIC/PRIVATE UTILITIES

- 16) There may be transformers, utilities, service boxes, hydrants, mailboxes, bus pads or other municipal services constructed adjacent to or upon boulevards in the vicinity of the Development. In addition, grading of the subject or neighbouring properties may require the construction of swales, slopes, retaining walls, fencing, or other devices.
- 17) The engineering and servicing plans for this Development, which includes the location of easements for municipal services and public and private utilities, are subject to the approval of the Municipality, and final locations for easements and services and utilities may change. Additional easements may be required. The Purchaser is advised to contact the Municipality for further details.
- 18) The director of engineering may change the location of any sidewalks or walkways within the development area without any prior notice.
- 19) Purchasers/tenants are advised that there may be a municipal sidewalk fronting and/or flanking this property.

TREES

- 20) The landscaping plans for the Development, which include the location of street trees, are subject to the approval of the Municipality, and the final location for street trees may change. Purchasers are advised to contact the Municipality for further details. The Purchaser acknowledges that the Vendor shall not be liable for any damaged or diseased trees on the Purchased Dwelling however caused. The Purchaser assumes full responsibility for the care, removal, and replacement of such trees, provided that no trees may be removed from the Purchased Dwelling except in conformance with the provisions of the municipal subdivision or other agreement affecting the Purchased Dwelling.

GRADING AND LOT DRAINAGE

- 21) The Purchaser, Owners and the Owner's Responsible Parties are absolutely prohibited from altering the grading and/or drainage patterns established by the Vendor and the Municipality.
- 22) The grading plans for this Development are subject to the approval of the Municipality, and the final location for catch basins and/or retaining walls, if necessary, may change. As well as the existence of lot level infiltration galleries and the requirement to maintain same, where required. Purchasers are advised to contact the Municipality for further details.
- 23) The Purchaser are advised that the Vendor and/or the Municipality reserves the right, to enter upon the lot or block sold for a period of one (1) year after the completion of the sale, or until expiration of the maintenance period for the Works specific in this Agreement, whichever date is later, to alter the land's grading to comply with the Plot Plan/Survey reviewed for compliance by the Director of Building Division for the said lot or block.
- 24) The Purchasers are advised that where the roof leaders are not connected to the storm sewer, the Purchaser acknowledges and agrees that there are continuing lot/block grading obligations and requirements.
- 25) If any change is made to the grading of the Lot or Block, which in opinion of the Municipality is contrary to the approved Grading Plan for the Lot (a copy of which may be obtained from the Municipality), the Municipality may, at its sole discretion, enter upon the Lot or Block and correct the grading deficiency and add the cost of effecting the correction to the assessment roll for the Lot. Such cost shall constitute a special lien upon the Lot or Block and may be collected in the same manner, and with the same remedies, as municipal taxes.

BUILDER'S RISK AND/OR COMPREHENSIVE LIABILITY INSURANCE

- 26) From and after closing, the Purchaser shall be responsible for obtaining insurance to cover the Dwelling and any and all property stored in or on the Dwelling.

FLOORING

- 27) Laminate, solid hardwood or engineered wood flooring (if any) in Dwellings may absorb excess moisture under humid conditions and release its normal moisture content under excessively dry conditions. Such flooring will naturally swell during the humid season and will shrink when heat is applied. The Vendor will not be responsible for any swelling or shrinkage cracks resulting from excessive humidity or excessive dryness within the Dwelling. When the heating system is not in use during late spring, summer and early fall, the Vendor strongly recommends that the Purchaser use a dehumidifier in the Dwelling. Correspondingly, when the heating system is on during the late fall, winter and early spring, the Vendor strongly recommends the use of a humidifier system within the Dwelling. The Purchaser takes full responsibility for any damage to the flooring as a result of its failure to mitigate air quality conditions as herein set out.

CONDENSATION

- 28) Purchaser(s) and Tenant(s) are advised that dampness or condensation due to failure by the Purchaser(s) and/or the Tenant(s) to maintain adequate ventilation or proper operation of moisture-producing or removal devices such as humidifiers and dehumidifiers may cause damage in the Dwelling unit;

RE-ENTRY

- 29) The Vendor (and any of its authorized agents, representatives and/or contractors) shall be permitted to enter the Dwelling after Closing, 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 Dwellings and undertake or complete any rectification work as a result of the default of the Purchaser under this Agreement.

GENERAL

- 30) The wires, cables and fittings comprising the cable television system or any other communication services servicing the Dwelling may be owned by the local cable television supplier. The wires, cables, meters, transformer or energizing boxes comprising the hydro system servicing the Dwelling may be owned by a utility or private company supplying hydro.
- 31) It is anticipated by the Vendor that in connection with the Vendor's application to the appropriate governmental authorities for draft plan of subdivision and site plan approval, certain requirements may be imposed upon the Vendor by various Governmental Authorities. These 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 building to major streets and similar matters). Accordingly, the Purchaser covenants and agrees that on written request by the Vendor, the Purchaser shall execute any and all documents required by the Vendor acknowledging, inter alia, that the Purchaser is aware of the requirements of the governmental authorities and that if requested by the Vendor, the said requirements shall be incorporated into and form part of this Agreement and the Purchaser shall accept the same without in any way affecting this transaction.
- 32) Purchasers and tenants hereby acknowledge and confirm that the block or blocks which are the subject of this agreement of lease or purchase and sale may not yet be registered as a plan of subdivision. The fulfilment 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/tenant confirms that the vendor is making no representation or warranty that the block or blocks which are the subject of this agreement of lease or purchase and sale will have all conditions of draft plan approval satisfied, including the availability of servicing, until the plan is registered.
- 33) The ceiling height may differ amongst Dwellings and ceiling heights within the Dwellings may be either higher or lower shown in any feature list or other materials.
- 34) Purchasers and tenants are hereby put on notice that telephone and telecommunications facilities and services are authorized by the CRTC under the Telecommunications Act, and as such these services may be provided by telecommunication carriers other than the traditional carriers for such services. Purchasers and tenants are advised to satisfy themselves that such carriers servicing the lands provide sufficient service and facilities to meet their needs.
- 35) The Director of Engineering may change the location of any sidewalks/walkways within the subdivision without any prior notice.
- 36) Purchasers/tenants are advised that there will be a municipal sidewalk fronting and/or flanking the property.
- 37) The Lands may be subject to the payment of development charges in accordance with applicable Governmental Authorities. Development charges are payable prior to the issuance of a building permit.
- 38) Due to the proximity of the Subdivision to nearby agricultural uses, noise dust and odours may at times be generated from nearby agricultural uses and may occasionally interfere with some activities of the owners who may occupy these lands.
- 39) A servicing allocation for this subdivision will not be assigned until the plan is granted final approval for registration.
- 40) The number of street trees planted on the municipal boulevard may be reduced to avoid conflicts with public utilities.

PARKING

- 41) Garages provided are intended for use as parking. It is the responsibility of the owner/tenant to ensure that their parking needs (including those of visitors) can be accommodated on site. Public on-street parking is provided on a "first come, first serve" basis and cannot be guaranteed in perpetuity.
- 42) Purchasers and tenants are advised that the Municipality's Parking By-Law requires a minimum of two parking spaces. No more than one parking space may be provided within the required front yard or required exterior side yard. Outside a private garage parking is only permitted on a driveway.
- 43) Purchasers and tenants are advised that the Municipality's zoning By-Law restricts driveway widths, which may not allow two cars to park side by side.
- 44) Purchasers and tenants are advised that overnight street parking will not be permitted unless an overnight street parking system is implemented by the Municipality.
- 45) Parking is not permitted on the public sidewalk, and accordingly, the location of the sidewalk in front of the property, if applicable, may precluded two vehicles from parking end to end between the curb and the house.

MAIL

- 46) Purchasers and tenants are advised that mail delivery may be from a designated community mailbox.
- 47) The Vendor will be responsible for notifying the Purchasers of the exact community mailbox locations prior to the closing of any home sale.

SUBDIVISION

- 48) The Vendor has or will enter into one or more agreements with the Municipality and/or The Regional Municipality of Waterloo with respect to the subdivision of the Lands. The Purchaser, upon closing of the purchase of the Purchased Dwelling shall be subject to such agreements, and the obligations under such agreements shall be enforceable against the Purchaser and all subsequent owners of the Purchased Dwelling.
- 49) Assumption of the subdivision by the Municipality may not occur until 5 years after occupancy. Please refer to the conditions set out in Section 46 of the Subdivision Agreement that must be complied with prior to assumption by the Municipality.
- 50) The sodding and other landscaping, including without limitation, the planting of trees, may be completed for the Purchased Dwelling after Closing, and the Purchaser expressly acknowledges and agrees that the conveyance of title to the Purchased Dwelling will reserve an easement or license in favour of the Vendor in order to complete such sodding and other landscaping works.
- 51) It may be necessary for the Vendor, in order to comply with grading requirements of the Municipality to enter upon the Purchased Dwelling in order to complete or alter the grading of such lot and that the conveyance to the Purchaser reserves an easement or license to the Vendor to enter upon the Purchased Dwelling in order to complete or alter any of the grades on the said Lot as may be required by the Municipality in order to provide property drainage to any of the Lots on the plan of subdivision.
- 52) The proposed lot grading may require the use of retaining wall and/or sloping. Where retaining walls are constructed on the purchased Lot, the Purchaser is advised that such retaining walls will be maintained in good condition and repair for a period of 2 years from completion of such retaining wall, and after the expiry of such two-year period, the maintenance and repair of such retaining walls shall be the responsibility of the Purchaser.
- 53) Where sidewalks are installed in front of the Purchased Dwelling, the Vendor shall be paving the driveway approach (being the area between the curbs and the sidewalk) and the approximate date of such paving is eighteen (18) months from the date of Closing.
- 54) Purchasers acknowledge and confirm receipt of: (a) a map showing the zoning of all areas within the plan of subdivision and within 400 feet (120m) of the external boundaries of the said plan of subdivision; (b) secondary plans, development plans and planning studies which are available to the public having regard to the future land use of the Lands within the plan of subdivision, and external to the said plan of subdivision, 400 feet (120M) therefrom; (c) plan showing location of sidewalks within the Development; and (d) drawings showing the location and type of fencing to be erected by the Vendor, future parks, trails, walkways, open space areas, all of the foregoing attached hereto as Appendix "A". Any additional inquiries with respect to future development of the adjacent lands may be referred to the Municipality's Planning and Development Department.
- 55) Although a public school site has been provided for in the plan, students from the development may have to be accommodated at an existing school. A school may not be built for several years, if at all, and only then if it can be justified to the satisfaction of the Ministry of Education.
- 56) Despite the inclusion of noise control features within the development area, noise levels may continue to be of concern, occasionally interfering with the activities of the dwelling occupants.
- 57) Purchasers shall be provided within seven (7) days prior to Closing, with a plan of survey prepared by an Ontario Land Surveyor, showing the size and location of the purchased Lot and the location of the dwelling erected thereon in relation to the various lot boundaries.
- 58) If there is any parkland to be developed by the Municipality, then such parkland may not be developed for a substantial period of time after the residential dwellings have been completed as the timing of the development of the park is dependent upon the financial ability of the Municipality to fund same provided it has received sufficient contributions for park development purposes through the Development Charges Act and the Planning Act.

- 59) The closing dates contained in the Agreement of Purchase and Sale are subject to the Vendor deciding to proceed with the servicing as required by the Municipality as set out in the Subdivision Agreement.
- 60) The closing dates contained in the Agreement of Purchase and Sale are estimates only.

OTHER

- 61) No part of the Lands nor any building or buildings erected thereon, shall be used for the purpose of any profession, trade, employment or service, manufacture or business of any description; nor as a school, hospital or other charitable institution, nor as a hotel, apartment house, rooming house, or place of public resort; nor for any sport (other than such games as are usually played in connection with the occupation of a private residence); nor for any purpose other than as a private residence for the use of one household only in each dwelling unit; nor shall anything be done or permitted upon any of the Lands or buildings erected or to be erected thereon which shall be a nuisance to the occupants of any neighbouring lands or buildings.
- 62) No building, structure, including garden sheds, or any addition thereto or any exterior alterations thereof shall be erected or placed on any part of the Lands, unless and until drawings for same shall have been first submitted and approved in writing by the Vendor, the Developer, or its appointee; and the application fee is paid, and no building, structure or any addition thereto or any exterior alterations thereof shall be erected, constructed, placed, laid out or maintained or be maintained otherwise than in strict conformity with the approved drawings and in conformity with the requirements of all governmental laws, by-laws, orders and regulations. The drawings herein before referred to must be prepared and submitted in triplicate and without limiting the generality of the foregoing, such drawings shall include:
- (a) a site plan showing locations of buildings, walks, drives, easements, fences, walls, gradings, architectural features of the site, surface drainage, landscaping proposals and all existing trees;
 - (b) exterior elevations showing all elements of the design and materials, textures, finishes, colours and floor elevations.
- 63) No berm, fence and/or screen planting shall be removed or altered without the consent of the Vendor and/or the Developer in writing. No weaving of any material (including but not limited to vinyl weaving) shall be installed in any chain link fence installed by the Vendor and/or Developer as aforesaid. No additional fence shall be erected, constructed or maintained adjacent to any fence installed by an Owner as aforesaid.
- 64) No fence other than those specified in this Agreement of Purchase and Sale or the Subdivision Agreement or a fence shall be erected or maintained nearer to any residential street than the main wall of the dwelling. For the purpose of this paragraph, main walls shall be deemed to include the outside walls or supports of a garage or carport.
- 65) No animals or birds other than household pets normally permitted in private homes in urban residential areas shall be kept upon the Lands. No breeding of pets for sale shall be carried on upon the Lands.
- 66) No antennae, either television or radio transmitter or receiver, (but excluding Satellite Earth Stations (dishes) or other communications devices, not greater than 18" in diameter and not visible on the front elevation of the house) shall be erected on any building, structure or lot as long as there is a commercial cable service available.
- 67) No boats, trucks (except sports utility vehicles), trailers, camping equipment, snowmobiles, mobile homes or similar commercial or recreational vehicles shall be parked upon that portion of the lands located between the front street limit and the front wall of the dwelling and/or garage.
- 68) No signs, billboards, notices or other advertising matter of any kind (except the ordinary signs offering the land or buildings thereon for sale or rent) shall be placed on any of the Lands or offering the land or buildings thereon for sale or rent) shall be placed on any of the Lands or upon or in any building or on any fence, tree or other structure on the Lands without the consent of the Vendor and/or the Developer or its successors and assigns in writing.
- 69) No clothes lines shall be placed or erected on any part of the Lands. A clothes umbrella may be placed on the Lands.
- 70) No trees shall be cut down or removed from the lands without the consent in writing of the Vendor and/or the Developer or its successors and assigns.
- 71) No building, structure or any addition thereto, landscaping, driveway and parking area, shall be maintained or kept safe in good repair and condition to the reasonable standards satisfactory to the Vendor and/or the Developer or its successors and assigns.
- 72) Lots that abut park Block 19, Stage 1: Purchasers are notified of the possibility that there may be community trails located within the Park Blocks, to the satisfaction of the Community Development Department. See Appendix "A" for details.
- 73) Each Owner of any lot or lots comprising any part of the Lands covenants and agrees as follows:
- (a) not to contravene or cause to be contravened by any act or omission any provision of any agreement, restriction or regulation of the Municipality or any other authority having jurisdiction therefor, their respective successors or assigns, pertaining to the development, servicing, grading/ drainage, landscaping, use and occupancy of any part of the Lands and appurtenances, whether now in effect or hereinafter imposed;
 - (b) not to do anything on any part of the lands or elsewhere which will interfere with or cause damage to any service installed or to be installed in the subdivision or elsewhere, which services include without limitation roads, ditches, curbs, drains, sidewalks, stakes/bars, water boxes and other water, sewer, gas and hydro works. Any such damage so caused may be corrected by the Municipality, the Vendor and/or the Developer or other appropriate authority at the Owner's expense;
 - (c) not to directly or indirectly oppose or object to the Vendor's and/or Developer's development and zoning of other lands in the Municipality where such Lands are situate;
 - (d) not to refuse to grant, forthwith upon request and without charge, any easement or right required by any servicing authority for the installation/maintenance of any service, provided that such does not prevent the erection of dwelling units on that part of the Lands so affected in compliance with the applicable zoning and building requirements.
- 74) Provided always that notwithstanding anything herein contained, the Vendor and/or the Developer and its successors and assigns shall have power by instrument or instruments in writing from time to time to waive, alter, modify or release the above covenants and restrictions in their application to any lot or lots or any part thereof comprising part of the Lands.
- 75) The invalidity in whole or in part of any of these restrictions shall not affect the validity of the other restrictions or remaining portion of the restrictions herein contained.
- 76) To the intent that the burden of these restrictive covenants shall run with the Lands for a period of twenty (20) years from the date of registration of Plan of Subdivision and to the intent that the benefit of these restrictive covenants may be annexed to and run with each and every part of the Lands, the Owner for itself, its successors and assigns, covenants and agrees with the Vendor and/or the Developer, its successors and assigns, that the Owner and the Owner's successors in title, from time to time, of all or any part or parts of the Lands, will observe and comply with the stipulations, restrictions and provisions that nothing shall be erected or fixed, placed or done upon the lands, or any part thereof, in breach or violation or contrary to the fair meaning of the said stipulations, restrictions and provisions set forth herein.
- 77) The Purchaser acknowledges that the Final Detailed Homeowner Information Map has not yet been finalized with the Municipality, which shall include the following information:
- (a) Those lots or blocks that are the subject of specific recommendations in the approved noise report i.e. relating to noise attenuation measures and/or warning clauses;
 - (b) The type, location and material of all required fencing and noise attenuation features;
 - (c) All sidewalks and trailways;
 - (d) On-street parking provision for all roads;
 - (e) The location or potential location of all Community Mailboxes;
- For all lands within 100 metres of the Subdivision:
- (f) Any existing or proposed open space, park or stormwater management blocks and trailways;
 - (g) The land use designation of lands in accordance with the Municipality's Official Plan;
 - (h) Any major easements (i.e. Hydro corridors, Trans Canada Pipelines, etc.); and
 - (i) Any arterial and collector roads including the number of lanes.

The Vendor agrees to furnish the Purchaser with a copy of such plan forthwith following execution of the Subdivision Agreement and the Purchaser(s) hereby covenants and agrees to execute an Acknowledgement of Receipt and Acceptance of such plan on or before Closing.

SCHEDULE "S" – SITE PLAN SKETCH



All plans and dimensions are approximate and subject to change at the discretion of the Vendor. Landscaping, road patterns and sidewalks are proposed only, and may change. Lot conditions and grading based upon preliminary engineering and is subject to change without notice. Plan is artist's concept. E. & O.E.

**SCHEDULE 'Q'
ADDITIONAL FEATURES**

DESCRIPTION
Lot Premium - \$
Grade Premium - \$
Corner/End Lot Upgrade Premium - \$
Extras:

PAID: Included in the Purchase Price

It is understood and agreed that whether or not the agreement of purchase and sale between the parties is subject to a condition precedent, this Schedule 'Q' will conclusively be presumed to be a separate agreement between the Purchaser and the Vendor. Therefore, if for any reason whatsoever not attributable to the fault of the Vendor the transaction of purchase and sale is not completed, the total cost of extras ordered is not refundable to the Purchaser(s) but shall be retained by the Vendor as liquidated damages and not a penalty.

If for any reason the work or items covered by this Schedule 'Q' are not carried out, the Vendor will not be liable to the Purchaser(s) in any manner whatsoever provided, any monies paid by the Purchaser(s) in connection with such items/work set out herein shall be refunded to the Purchaser(s) as an adjustment on closing, by the Vendor without interest or deduction and the Vendor shall be under no further obligations.

Dated this _____ day of _____ 2023.

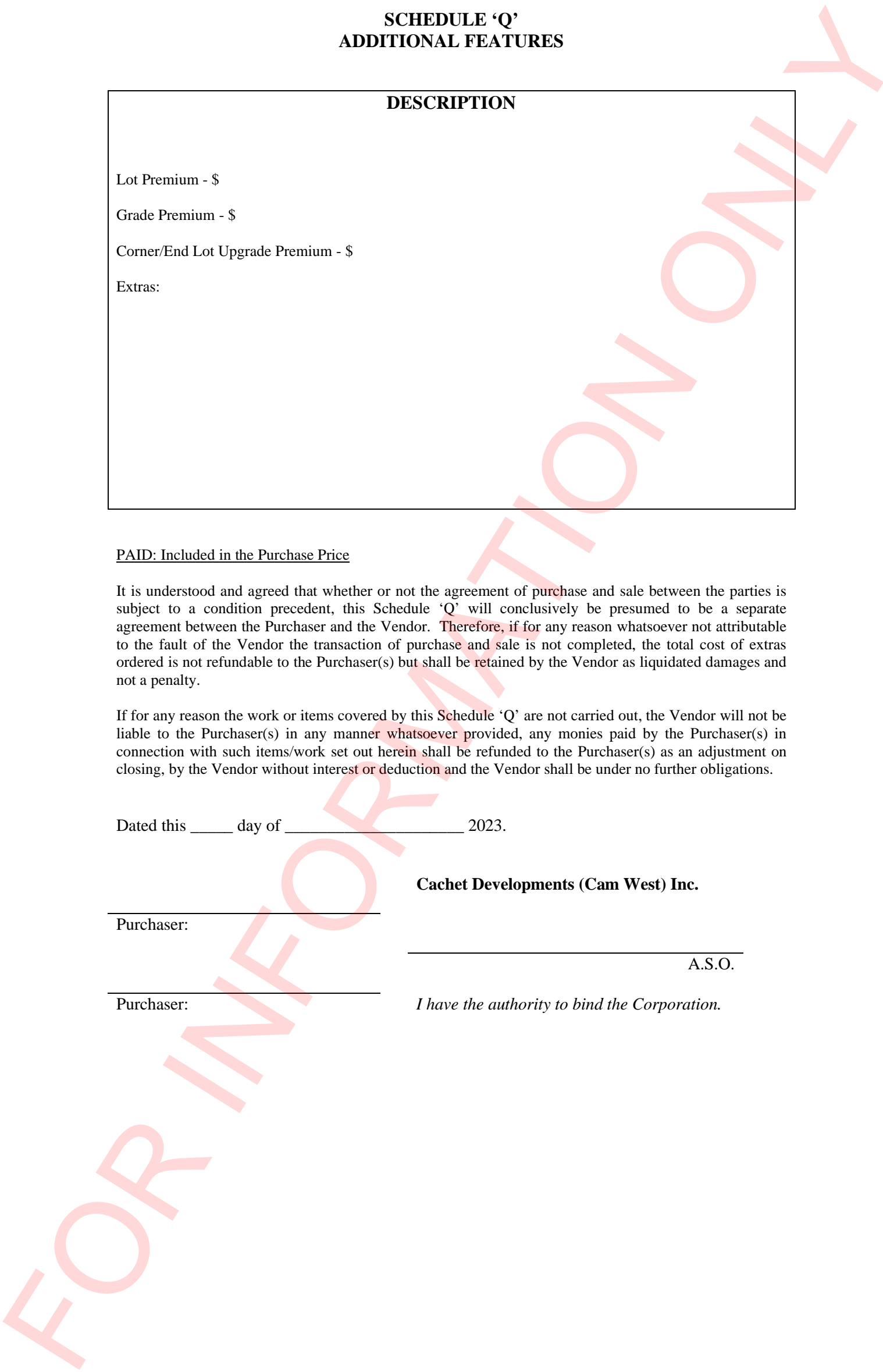
Cachet Developments (Cam West) Inc.

Purchaser:

A.S.O.

Purchaser:

I have the authority to bind the Corporation.



SCHEDULE 'X' - BONUS INCENTIVES*

PURCHASER SHALL RECEIVE THE FOLLOWING:

TOWNHOMES

\$5,000 IN DÉCOR DOLLARS OR APPLIANCE PACKAGE

PLUS

CACHET HOME COMFORT PACKAGE

(VIDEO DOORBELL, GARAGE DOOR OPENER, SMART THERMOSTAT)

PLUS

\$5,000 DEVELOPMENT CHARGES CAP¹

PLUS

1 YEAR'S FREE COMMON ELEMENT FEE

30' DETACHED HOMES

\$7,500 IN DÉCOR DOLLARS

PLUS

CACHET HOME COMFORT PACKAGE

(VIDEO DOORBELL, GARAGE DOOR OPENER, SMART THERMOSTAT)

PLUS

\$5,000 DEVELOPMENT CHARGES CAP¹

36' DETACHED HOMES

\$10,000 IN DÉCOR DOLLARS

PLUS

CACHET HOME COMFORT PACKAGE

(VIDEO DOORBELL, GARAGE DOOR OPENER, SMART THERMOSTAT)

PLUS

\$5,000 DEVELOPMENT CHARGES CAP¹

^{*}Limited time offer. Vendor reserves the right to revoke, modify or extend this offer without notice at any time. No cash value. No substitutions permitted. 04.2023

¹Applies only to Section 5.1 (c) Development Charges

**Freehold Form
(Tentative Closing Date)**

Property _____
Draft Plan of Subdivision 23T20202

**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

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:

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 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:

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:

2. Notice Period for a Delay of Closing

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

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

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

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

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

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:

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.

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.

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

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.

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.]

FOR INFORMATION ONLY

**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.]

FOR INFORMATION ONLY