

AGREEMENT OF PURCHASE AND SALE

BETWEEN:

King East Developments Inc. (the "Vendor")

AND:

(the "Purchaser")

1. PROPERTY:

Lot No.: _____ Phase: _____ Plan No. _____, Town of Richmond Hill
Lot Type: _____ Model Type: _____ Rear Grade Condition: _____
Street: _____ Elevation: _____

(as shown on Schedule "B")

The Purchaser acknowledges that the municipal addresses are for reference purposes only and may be different from those ultimately assigned by any and all governmental authorities (including the local municipality and Canada Post) and public utilities having jurisdiction (the "Governmental Authorities").

2. PURCHASE PRICE: The purchase price for the Property is \$ _____ (the "Purchase Price"), and is payable as follows:

- (a) by payment of an initial deposit in the amount of \$5,000 by cheque accompanying this offer payable to the Vendor. \$ _____
- (b) and by payment of an additional deposit in the amount of two-and-a-half percent (2.5%) of the Purchase Price by post-dated cheque accompanying this offer payable to the Vendor, dated within 30 days following the acceptance of this Agreement. \$ _____
- (c) and by payment of an additional deposit in the amount of two-and-a-half percent (2.5%) of the Purchase Price by post-dated cheque accompanying this offer payable to the Vendor, dated within 60 days following the acceptance of this Agreement. \$ _____
- (d) and by payment of an additional deposit in the amount of one percent (1%) of the Purchase Price by post-dated cheque accompanying this offer payable to the Vendor, dated within 90 days following the acceptance of this Agreement. \$ _____
- (e) and by payment of an additional deposit in the amount of one percent (1%) of the Purchase Price by post-dated cheque accompanying this offer payable to the Vendor, dated within 120 days following the acceptance of this Agreement. \$ _____
- (f) and by payment of an additional deposit in the amount of one-and-a-half percent (1.5%) of the Purchase Price by post-dated cheque accompanying this offer payable to the Vendor, dated within 150 days following the acceptance of this Agreement. \$ _____
- (g) and by payment of an additional deposit in the amount of one-and-a-half percent (1.5%) of the Purchase Price by post-dated cheque accompanying this offer payable to the Vendor, dated within 180 days following the acceptance of this Agreement. \$ _____
- (h) and by payment of the balance of the Purchase Price to the Vendor on the Closing Date (as defined in Schedule "C" below), subject to those adjustments provided for in this Agreement.

3. FIRST TENTATIVE OCCUPANCY DATE: The Purchaser shall be required to take possession of the Property on _____

4. AGREEMENT OF PURCHASE AND SALE: The Purchaser agrees to purchase, and the Vendor agrees to sell, the Property at the Purchase Price and upon the terms and conditions more particularly set out herein. The Purchaser and the Vendor agree that this Page 1 of this agreement (the "Title Page"), the signature page to this Agreement (the "Signature Page") and Schedules A, B, C, D, E, F and LRA attached hereto, together with the prescribed Tarion Addendum re: Delayed Occupancy Warranty which includes the Statement of Critical Dates and Schedule B re: Adjustments (the "Tarion Addendum") and any other schedules initialled or signed by the parties and attached hereto, form integral parts of this agreement (collectively, the "Agreement") and the Purchaser acknowledges having read each of them.

5. SALES AGENTS: The parties to this transaction, by their execution hereof, hereby acknowledge that the sales agents have acted and are acting as agents of the Vendor, will be compensated by the Vendor, and are responsible for protecting only the interests of the Vendor.

6. EXECUTION BY POWER OF ATTORNEY: If this Agreement of Purchase and Sale is executed by an attorney pursuant to a power of attorney for property, the attorney hereby confirms that, to the best of his or her knowledge and belief, the power of attorney is still in full force and effect, and that the grantor of the power of attorney was at least 18 years of age when the power was executed.

7. TARION: The Registration Number of the Vendor under the *Ontario New Home Warranties Plan Act* is _____.

Purchaser's Initials: _____

IN WITNESS WHEREOF the Purchaser has/have hereunto set his/her/their hand(s) this ____ day of _____, 20__.

SIGNED SEALED AND DELIVERED in the presence of:

WITNESSES

(as to the purchaser's signature or both purchasers' signatures, as the case may be):

Name:

Name:

PURCHASER 1

SIGNATURE: _____

NAME (PRINT): _____

DATE OF BIRTH: _____

OCCUPATION/ PRINCIPAL BUSINESS: _____

PURCHASER 2

SIGNATURE: _____

NAME (PRINT): _____

DATE OF BIRTH: _____

OCCUPATION/ PRINCIPAL BUSINESS: _____

Purchaser(s)'s Solicitor's Address for Delivery of Notices and Documents:

Attention: _____

Telephone No.: _____ Fax No.: _____

Email Address: _____

Purchaser(s)'s Address for Delivery of Notices and Documents:

Res. Telephone No.: _____ Cell Phone No.: _____

Bus. Telephone No.: _____ Fax No.: _____

Email Address: _____

IN WITNESS WHEREOF the Vendor has hereunto set its hand this ____ day of _____, 20__.

KING EAST DEVELOPMENTS INC.

Per: _____

Authorized Signatory
I have the authority to bind the Corporation

Vendor's Solicitor's Address for Delivery of Notices and Documents:

Alon Eizenman
10 Wanless Avenue, Suite 201
Toronto, Ontario, M4N 1V6
Email Address: aeizenman@plazacorp.com
Telephone No.: (416) 481-2222
Fax No.: (647) 789-4996

Vendor's Address for Delivery of Notices and Documents:

King East Developments Inc.
10 Wanless Avenue, Suite 201
Toronto, Ontario, M4N 1V6
Fax No.: (416) 481-8000

THE PURCHASER hereby acknowledges receipt of a signed copy of this accepted Agreement of Purchase and Sale.

PURCHASER (on behalf of all): _____ DATE: _____, 20__.

SCHEDULE "B"**STANDARD LUXURY FEATURES & FINISHES****EXTERIOR FEATURES**

1. Architecturally designed exteriors which may include clay brick, stone, pre-cast detail, ornamental trim details, brick arches, keystones and other masonry detailing, as per applicable plan. Some sections of the Dwelling may be constructed of vinyl or aluminum siding or wood, subject to Vendor's specification.
2. Exterior colours and siting will be architecturally coordinated to conform to architectural control guidelines.
3. Entry-resistant framing on all perimeter doors.
4. Glazed panel in front entry door and/or sidelight, and/or transom (as per applicable elevation).
5. Poured concrete front porch, where applicable.
6. Self-sealing shingles with a limited lifetime manufacturer's warranty and/or metal roof (as per plan).
7. Pre-finished maintenance-free aluminum soffits, eavestrough, fascia, downspouts and vinyl siding, as per plan and elevations.
8. Steel insulated exterior doors with weather-stripping and deadbolt lock. Additional blocking at all exterior door jambs.
9. Vinyl casement or vinyl single hung thermopane windows throughout with Low-E Glass (in White). Basement window to be vinyl.
10. Pre-cast concrete windowsills, headers and entrance arches (as per elevation).
11. Molded paneled sectional roll-up garage doors with inserts, as per elevations.
12. Insulated metal entry access door from the garage to house, grade permitting.
13. Concrete garage floor with reinforced grade beams.
14. Poured concrete basement walls with heavy damp proofing (drainage membrane) and weeping tile preformed drainage membrane to all exterior walls, excluding garage.
15. Fully sodded lot with precast concrete slab front walkway. Precast step(s) at rear door, as required by grade.
16. Paved driveway, base coat only included. Purchaser to pay for finish top coat.
17. Two exterior water taps and two exterior weatherproof electrical outlets with ground fault interrupter.
18. Precast address number plaque. Location as per architectural control guidelines.
19. 2" x 6" exterior wall construction.
20. Cold cellars, as per plan, with weather stripped solid core door, light, floor drain and vent(s).

INTERIOR FEATURES

1. 9' ceilings on the main floor and 8' ceilings on the second floor (except in sunken or raised areas, stairways and where there are raised, dropped or cathedral ceilings). Bulkheads are necessary for mechanical and structural requirements and, where they exist, the ceiling heights are reduced.
2. Dropped ceilings and bulkheads over kitchen cabinets and main baths (where applicable).
3. Smooth ceilings throughout.
4. 9' coffered ceilings. (as per applicable plan).
5. Wire shelving installed in all closets.
6. Natural oak veneer main stairs with oak veneer stringers, oak posts from main floor to second floor.
7. Natural oak nosing in upper hallway under all pickets.
8. Natural oak handrails with 1-5/16" oak pickets plus 2 3/4" square oak post (where applicable), main floor to Second floor.
9. Two panel straight moulded interior passage doors throughout, including all closets, as per plan. Not applicable to cold cellar or exterior areas.
10. 5" baseboard with 3 3/4" step casing throughout. Trim on all doors and windows in finished areas, where applicable.
11. All archways are trimmed.
12. Sliding thermal-glazed patio door(s) as per applicable plan. Additional screws at patio door(s) to prevent lifting.
13. Satin Nickle finish handle interior door hardware.
14. Interior walls to be painted with premium quality latex paint. Purchaser's choice of two colour from Vendor's samples with all kitchen, laundry and all bathrooms finished in semi-gloss.
15. Continuous vapour barrier and draft-proof electrical boxes on all exterior walls.
16. Direct vent gas fireplace with paint grade mantle, as per plan.
17. Duct cleaning at time of occupancy.

KITCHEN FEATURES

1. Quartz kitchen countertop of Purchaser's choice from Vendor's standard samples.
2. Kitchen cabinets with extended uppers as per plan of Purchaser's choice of styles from Vendor's standard samples.
3. Island with base cabinet and extended bar top (as per plan).
4. Stainless steel undermount sink with single lever Moen pull-out kitchen faucet of Purchaser's choice from Vendor's standard samples.
5. Two-speed exhaust white hood fan vented to exterior.
6. Heavy-duty receptacle for stove.
7. Dedicated electrical outlet for refrigerator.
8. Split electrical outlets at counter level for small appliances.
9. Dishwasher space provided in kitchen cabinets with rough-in wiring and drains. Space for dishwasher left open (no cabinet).

BATHROOM FEATURES

1. Ceramic wall tiles in tub and shower enclosure to ceiling height, with 2 rows of 6" x 8" tiles or 1 row of 12" x 12" or 13" x 13" around oval tub (where applicable). Wall tile does not apply for free standing tubs.
2. Post formed arborite or formica vanity countertops of Purchaser's choice from Vendor's standard samples (where applicable).
3. Water-saver showerhead, toilet and faucets.
4. Pressure-balance valves in all showers.
5. Mirrors in all bathrooms and powder rooms.
6. White bathroom fixtures from Vendor's standard samples.
7. Framed glass shower enclosure and/or frameless glass shower door in Ensuite Bathroom, as per plan.
8. Acrylic bathtubs, as per applicable plan.
9. Electrical outlets for small appliances beside vanity in all bathrooms.
10. Exhaust fans in all bathrooms to be vented to exterior.
11. Privacy locks on all bathroom doors.
12. Single-lever washer-less faucets with pop-up drains in all vanities.
13. Pedestal sink in powder room as per plans.

14. Polished chrome bathroom accessories including towel bar, toilet tissue dispenser, and soap dish.

LAUNDRY FEATURES

1. Laundry tub with hot and cold-water faucet, as per plan.
2. Heavy duty electrical outlet for washer and dryer.
3. Dryer vented to exterior.
4. Laundry room floor may be sunken to accommodate entry door(s) in laundry (if required).
5. Second floor laundry room equipped with floor drain and curb, as per applicable model.

FLOORING

1. Ceramic tile flooring, 12 x 12 or 13 x 13, is standard in foyer, kitchen/dinette area, powder room, all bathrooms and main floor laundry room, from Vendor's standard samples, as per plan.
2. Natural prefinished 2 ¼" x ¾" hardwood on main floor (in finished areas only, except tiled areas).
3. 40oz broadloom with underpad throughout second floor (except tiled areas).
4. Concrete basement floor with drain

ELECTRICAL

1. 100 amp electrical service with circuit breaker panel.
2. Decora-type white switches throughout.
3. Ceiling light fixtures in all bedrooms.
4. Switch-controlled receptacle, in living room.
5. Strobe light smoke detector on every floor in every room and hallway.
6. Carbon monoxide detector.
7. Shower light in all shower stalls, where applicable.
8. Two electrical outlets in the garage (one in ceiling for future door opener).
9. Electric door chime with doorbell at front entry.
10. Copper wiring throughout.
11. Installed exterior light fixtures.

ADDITIONAL PROVISIONS

1. Rough-in 3-piece washroom in the basement (drains only, no water lines).
2. Pre-wiring for telephone outlet in Kitchen, and Master bedroom, as per vendor's plan. Purchaser is to arrange finishing details directly with the phone company after closing.
3. Pre-wiring for four RG6 coaxial cable TV outlets Family Room/Great Room/Den and all bedrooms locations as per Vendor's plan. Purchaser is to arrange finishing details directly with the cable company after closing.
4. Rough-in for central vacuum system to garage.
5. Rough-in for central air conditioning.
6. Security rough-in wiring on all exterior doors on the main floor. Pre-wiring for one keypad by the front door and one motion detector.

HEATING/INSULATION

1. Forced air heating system with ducting sized for future central air systems. Thermostat centrally located on main floor.
2. * R60 insulation for attic ceiling area over habitable areas. Weather stripped access, as per Ontario Building Code requirements.
3. * R22 insulation in exterior habitable walls, as per Ontario Building Code requirements.
4. * R31 spray foam to garage ceilings and overhangs, as per Ontario Building Code requirements.
5. * R20 continuous insulation on basement walls, as per Ontario Building Code requirements.
6. H.R.V. (Heat Recovery Ventilation unit), simplified installation.
7. Hot water tank is a rental gas unit, power vented to exterior. Purchaser will execute rental agreement with provider.

CUSTOMER FRIENDLY UPGRADE PROGRAM

Vendor will provide quotations prior to construction for extras or custom finishes for interior features. Purchasers will have the opportunity to make upgraded interior selections when they attend to choose their colours and materials.

LOOKOUT AND WALKOUT CONDITIONS

1. Some lookout lot conditions shall include as standard a 6' x 8' deck with steps to grade and larger basement windows as grade permits, the cost of which is to be added to the purchase price.
2. Some walkout lot conditions shall include as per plan a 6' x 8' deck, sliding patio door in basement and large, rear basement windows as per applicable plan, the cost of which is to be added to the purchase price.

TARION WARRANTY CORPORATION COVERAGE

1. Warranty backed by Ontario New Home Warrant Program, Tarion, which includes:
2. The home is warranted against major structural defects for 7 years.
3. The home is free from defects in workmanship and materials for 1 year.
4. Purchaser to pay the Tarion Warranty Program enrolment fee.

CONDITIONS

1. All selections are to be made from the Vendor's standard samples and are subject to availability. If the purchase is made after the materials that the Purchaser would typically select have been ordered, the Purchaser will not have the ability to make selections with respect to such materials. All selections are final and no changes will be accepted.
2. All plans, elevations and specifications are subject to modification from time to time by the Vendor as required for compliance with the Ontario Building Code.
3. The purchaser acknowledges that finishes and materials contained in any sales office and model homes, including broadloom, furniture, cabinets, stained floor, staircase and railings, architectural ornamental plaster, acoustic tile ceiling and luminous lenses, etc., maybe for display purposes only and may not be included in the Dwelling.
4. House types and streetscapes subject to final approval by the municipality's architectural committee and final siting and approval by the Vendor's architect.
5. The purchaser shall indemnify and save the vendor, its servants and agents, harmless from all actions, claims and demands for upon or by reason of any relatives, workmen, and agents, who have entered on the real property or any subdivision of which the Real Property forms a part of, whether with, or without authorization, express or implied, by the vendor.
6. Variations from Vendor's standard samples may occur in all materials due to normal production process.

7. The vendor is not responsible for shade difference occurring from different dye lots on all materials such as ceramic tile or broadloom, roof shingles, hardwood flooring, wood stairs, railing, kitchen cabinets, countertops or brick. Colours and materials will be as close as possible to vendor's samples but not necessarily identical. Purchasers may be required to reselect colours and/or materials from the vendor's samples as a result of unavailability or discontinuation.
8. Steps to front, side and rear doors where applicable may vary due to grading variances.
9. Because of siting, grading and paving conditions, roof lines may vary due to structural roof framing conditions and/or architectural control guidelines. Exterior architectural features may be added to altered as required by such architectural guidelines.
10. The siting of the Dwelling on the Real Property and the floor plans and elevations of the Dwelling may be reversed at the sole discretion of the builder.
11. The purchaser acknowledges that at the Vendor's sole discretion door swings may be different than those indicated on brochures and ceilings and walls may be modified to accommodate mechanical systems, and the Purchaser agrees to accept such modifications.
12. The Purchaser acknowledges and accepts that all dimensions in this Agreement are approximate, window locations and actual areas may vary depending on elevation selected, and usable floor space may vary from the stated floor area.
13. The Purchaser acknowledges that the lot including the home being constructed thereon is, until Closing, considered a workplace and construction site and as such is governed by the laws and regulations applicable to same. The Purchaser therefore acknowledges not being permitted unsupervised entry or access to such workplace and construction site and further agrees and covenants not to attempt to gain entrance and access to same except with the prior written consent of the Vendor. The Purchaser agrees to follow all safety practices as prescribed by law during any such pre-arranged visit to the workplace and construction site.
14. Location and size of windows and doors may vary with walk-out deck conditions. All dimensions are approximate. Furnace and hot water tank locations may vary.
15. NO PURCHASER SHALL BE ALLOWED TO PERFORM ANY WORK OR SUPPLY MATERIALS TO THE DWELLING PRIOR TO CLOSING.
16. Purchaser's choice of interior colours and materials to be chosen from the Vendor's standard samples provided that they have not yet been ordered. Within ten (10) days following the Vendor's request, the Purchaser shall attend at a location specified by the Vendor and will provide to the Vendor a signed selection sheet containing the colours and finishes that he/she has chosen from the Vendor's standard samples. If the Purchaser fails to attend at the location specified by the Vendor and/or fails to choose colours or finishes within the time periods requested, the Vendor may choose the colours and finishes for the Purchaser, and the Purchaser agrees to accept the Vendor's selections.

PURCHASER TO HAVE CHOICE OF COLOURS AND MATERIALS FROM VENDOR'S STANDARD SAMPLES OF THE FOLLOWING (subject to Vendor's conditions)

- Flooring, ceramic wall tile at bathtub and separate shower enclosures where applicable, foyer, kitchen, breakfast area, all washrooms.
- Kitchen and bathroom cabinets and countertops.
- Wall-to-wall broadloom on second floor. Purchaser's choice of one colour from Vendor's standard samples.
- Interior wall colour.
- Purchaser's choice of exterior colour packages from Vendor's standard samples, subject to availability and architectural control.
- Colour boards are regularly updated and certain colors and materials may not be available at time of construction. Any substitution will be for materials of equal or better quality.

Prices and specifications are subject to change without notice. Builder has the right to substitute materials of equal or better quality.

A wide variety of upgrades and options are available.

E. & O.E. May 20, 2020

SCHEDULE "B"

STANDARD LUXURY FEATURES & FINISHES**EXTERIOR FEATURES**

1. Architecturally designed exteriors which may include clay brick, stone, pre-cast detail, ornamental trim details, brick arches, keystones and other masonry detailing, as per applicable plan. Some sections of the Dwelling may be constructed of vinyl or aluminum siding or wood, subject to Vendor's specification.
2. Exterior colours and siting will be architecturally coordinated to conform to architectural control guidelines.
3. Entry-resistant framing on all perimeter doors.
4. Glazed panel in front entry door and/or sidelight, and/or transom (as per applicable elevation).
5. Poured concrete front porch, where applicable.
6. Self-sealing shingles with a limited lifetime manufacturer's warranty and/or metal roof (as per plan).
7. Pre-finished maintenance-free aluminum soffits, eavestrough, fascia, downspouts and vinyl siding, as per plan and elevations.
8. Steel insulated exterior doors with weather-stripping and deadbolt lock. Additional blocking at all exterior door jambs.
9. Vinyl casement or vinyl single hung thermopane windows throughout with Low-E Glass (in White). Basement window to be vinyl.
10. Pre-cast concrete windowsills, headers and entrance arches (as per elevation).
11. Molded paneled sectional roll-up garage doors with inserts, as per elevations.
12. Insulated metal entry access door from the garage to house, grade permitting.
13. Concrete garage floor with reinforced grade beams.
14. Poured concrete basement walls with heavy damp proofing (drainage membrane) and weeping tile preformed drainage membrane to all exterior walls, excluding garage.
15. Fully sodded lot with precast concrete slab front walkway. Precast step(s) at rear door, as required by grade.
16. Paved driveway, base coat only included. Purchaser to pay for finish top coat.
17. Two exterior water taps and two exterior weatherproof electrical outlets with ground fault interrupter.
18. Precast address number plaque. Location as per architectural control guidelines.
19. 2" x 6" exterior wall construction.
20. Cold cellars, as per plan, with weather stripped solid core door, light, floor drain and vent(s).

INTERIOR FEATURES

1. 9' ceilings on the main floor and 8' ceilings on the second floor (except in sunken or raised areas, stairways and where there are raised, dropped or cathedral ceilings). Bulkheads are necessary for mechanical and structural requirements and, where they exist, the ceiling heights are reduced.
2. Dropped ceilings and bulkheads over kitchen cabinets and main baths (where applicable).
3. Smooth ceilings throughout.
4. 9' coffered ceilings. (as per applicable plan).
5. Wire shelving installed in all closets.
6. Natural oak veneer main stairs with oak veneer stringers, oak posts from main floor to second floor.
7. Natural oak nosing in upper hallway under all pickets.
8. Natural oak handrails with 1-5/16" oak pickets plus 2 3/4" square oak post (where applicable), main floor to Second floor.
9. Two panel straight moulded interior passage doors throughout, including all closets, as per plan. Not applicable to cold cellar or exterior areas.
10. 3" baseboard throughout. Trim on all doors and windows in finished areas where applicable.
11. All archways are trimmed.
12. Sliding thermal-glazed patio door(s) as per applicable plan. Additional screws at patio door(s) to prevent lifting.
13. Satin Nickle finish handle interior door hardware.
14. Interior walls to be painted with premium quality latex paint. Purchaser's choice of two colour from Vendor's samples with all kitchen, laundry and all bathrooms finished in semi-gloss.
15. Continuous vapour barrier and draft-proof electrical boxes on all exterior walls.
16. Duct cleaning at time of occupancy.

KITCHEN FEATURES

1. Quartz kitchen countertop of Purchaser's choice from Vendor's standard samples.
2. Kitchen cabinets with extended uppers as per plan of Purchaser's choice of styles from Vendor's standard samples.
3. Island with base cabinet and extended bar top (as per plan).
4. Stainless steel undermount sink with single lever Moen pull-out kitchen faucet of Purchaser's choice from Vendor's standard samples.
5. Two-speed exhaust white hood fan vented to exterior.
6. Heavy-duty receptacle for stove.
7. Dedicated electrical outlet for refrigerator.
8. Split electrical outlets at counter level for small appliances.
9. Dishwasher space provided in kitchen cabinets with rough-in wiring and drains. Space for dishwasher left open (no cabinet).

BATHROOM FEATURES

1. Ceramic wall tiles in tub and shower enclosure to ceiling height, with 2 rows of 6" x 8" tiles or 1 row of 12" x 12" or 13" x 13" around oval tub (where applicable). Wall tile does not apply for free standing tubs.
2. Post formed arborite or formica vanity countertops of Purchaser's choice from Vendor's standard samples (where applicable).
3. Water-saver showerhead, toilet and faucets.
4. Pressure-balance valves in all showers.
5. Mirrors in all bathrooms and powder rooms.
6. White bathroom fixtures from Vendor's standard samples.
7. Framed glass shower enclosure and/or frameless glass shower door in Ensuite Bathroom, as per plan.
8. Acrylic bathtubs, as per applicable plan.
9. Electrical outlets for small appliances beside vanity in all bathrooms.
10. Exhaust fans in all bathrooms to be vented to exterior.
11. Privacy locks on all bathroom doors.
12. Single-lever washer-less faucets with pop-up drains in all vanities.
13. Pedestal sink in powder room as per plans.
14. Polished chrome bathroom accessories including towel bar, toilet tissue dispenser, and soap dish.

LAUNDRY FEATURES

1. Laundry tub with hot and cold-water faucet, as per plan.
2. Heavy duty electrical outlet for washer and dryer.
3. Dryer vented to exterior.
4. Laundry room floor may be sunken to accommodate entry door(s) in laundry (if required).
5. Second floor laundry room equipped with floor drain and curb, as per applicable model.

FLOORING

1. Ceramic tile flooring, 12 x 12 or 13 x 13, is standard in foyer, kitchen/dinette area, powder room, all bathrooms and main floor laundry room, from Vendor's standard samples, as per plan.
1. Laminate flooring in finished areas on Main floor (except tiled areas).
2. 40oz broadloom with underpad throughout second floor (except tiled areas).
3. Concrete basement floor with drain.

ELECTRICAL

1. 100 amp electrical service with circuit breaker panel.
2. Decora-type white switches throughout.
3. Ceiling light fixtures in all bedrooms.
4. Switch-controlled receptacle, in living room.
5. Strobe light smoke detector on every floor in every room and hallway.
6. Carbon monoxide detector.
7. Shower light in all shower stalls, where applicable.
8. Two electrical outlets in the garage (one in ceiling for future door opener).
9. Electric door chime with doorbell at front entry.
10. Copper wiring throughout.
11. Installed exterior light fixtures.

ADDITIONAL PROVISIONS

1. Rough-in 3-piece washroom in the basement (drains only, no water lines).
2. Pre-wiring for telephone outlet in Kitchen, and Master bedroom, as per vendor's plan. Purchaser is to arrange finishing details directly with the phone company after closing.
3. Pre-wiring for four RG6 coaxial cable TV outlets Family Room/Great Room/Den and all bedrooms locations as per Vendor's plan. Purchaser is to arrange finishing details directly with the cable company after closing.
4. Rough-in for central vacuum system to garage.
5. Rough-in for central air conditioning.
6. Security rough-in wiring on all exterior doors on the main floor. Pre-wiring for one keypad by the front door and one motion detector.

HEATING/INSULATION

1. Forced air heating system with ducting sized for future central air systems. Thermostat centrally located on main floor.
2. * R60 insulation for attic ceiling area over habitable areas. Weather stripped access, as per Ontario Building Code requirements.
3. * R22 insulation in exterior habitable walls, as per Ontario Building Code requirements.
4. * R31 spray foam to garage ceilings and overhangs, as per Ontario Building Code requirements.
5. * R20 continuous insulation on basement walls, as per Ontario Building Code requirements.
6. H.R.V. (Heat Recovery Ventilation unit), simplified installation.
7. Hot water tank is a rental gas unit, power vented to exterior. Purchaser will execute rental agreement with provider.

CUSTOMER FRIENDLY UPGRADE PROGRAM

Vendor will provide quotations prior to construction for extras or custom finishes for interior features. Purchasers will have the opportunity to make upgraded interior selections when they attend to choose their colours and materials.

LOOKOUT AND WALKOUT CONDITIONS

1. Some lookout lot conditions shall include as standard a 6' x 8' deck with steps to grade and larger basement windows as grade permits, the cost of which is to be added to the purchase price.
2. Some walkout lot conditions shall include as per plan a 6' x 8' deck, sliding patio door in basement and large, rear basement windows as per applicable plan, the cost of which is to be added to the purchase price.

TARION WARRANTY CORPORATION COVERAGE

1. Warranty backed by Ontario New Home Warranty Program, Tarion, which includes:
2. The home is warranted against major structural defects for 7 years.
3. The home is free from defects in workmanship and materials for 1 year.
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2. All plans, elevations and specifications are subject to modification from time to time by the Vendor as required for compliance with the Ontario Building Code.
3. The purchaser acknowledges that finishes and materials contained in any sales office and model homes, including broadloom, furniture, cabinets, stained floor, staircase and railings, architectural ornamental plaster, acoustic tile ceiling and luminous lenses, etc., maybe for display purposes only and may not be included in the Dwelling.
4. House types and streetscapes subject to final approval by the municipality's architectural committee and final siting and approval by the Vendor's architect.
5. The purchaser shall indemnify and save the vendor, its servants and agents, harmless from all actions, claims and demands for upon or by reason of any relatives, workmen, and agents, who have entered on the real property or any subdivision of which the Real Property forms a part of, whether with, or without authorization, express or implied, by the vendor.
6. Variations from Vendor's standard samples may occur in all materials due to normal production process.

7. The vendor is not responsible for shade difference occurring from different dye lots on all materials such as ceramic tile or broadloom, roof shingles, hardwood flooring, wood stairs, railing, kitchen cabinets, countertops or brick. Colours and materials will be as close as possible to vendor's samples but not necessarily identical. Purchasers may be required to reselect colours and/or materials from the vendor's samples as a result of unavailability or discontinuation.
8. Steps to front, side and rear doors where applicable may vary due to grading variances.
9. Because of siting, grading and paving conditions, roof lines may vary due to structural roof framing conditions and/or architectural control guidelines. Exterior architectural features may be added to altered as required by such architectural guidelines.
10. The siting of the Dwelling on the Real Property and the floor plans and elevations of the Dwelling may be reversed at the sole discretion of the builder.
11. The purchaser acknowledges that at the Vendor's sole discretion door swings may be different than those indicated on brochures and ceilings and walls may be modified to accommodate mechanical systems, and the Purchaser agrees to accept such modifications.
12. The Purchaser acknowledges and accepts that all dimensions in this Agreement are approximate, window locations and actual areas may vary depending on elevation selected, and usable floor space may vary from the stated floor area.
13. The Purchaser acknowledges that the lot including the home being constructed thereon is, until Closing, considered a workplace and construction site and as such is governed by the laws and regulations applicable to same. The Purchaser therefore acknowledges not being permitted unsupervised entry or access to such workplace and construction site and further agrees and covenants not to attempt to gain entrance and access to same except with the prior written consent of the Vendor. The Purchaser agrees to follow all safety practices as prescribed by law during any such pre-arranged visit to the workplace and construction site.
14. Location and size of windows and doors may vary with walk-out deck conditions. All dimensions are approximate. Furnace and hot water tank locations may vary.
15. NO PURCHASER SHALL BE ALLOWED TO PERFORM ANY WORK OR SUPPLY MATERIALS TO THE DWELLING PRIOR TO CLOSING.
16. Purchaser's choice of interior colours and materials to be chosen from the Vendor's standard samples provided that they have not yet been ordered. Within ten (10) days following the Vendor's request, the Purchaser shall attend at a location specified by the Vendor and will provide to the Vendor a signed selection sheet containing the colours and finishes that he/she has chosen from the Vendor's standard samples. If the Purchaser fails to attend at the location specified by the Vendor and/or fails to choose colours or finishes within the time periods requested, the Vendor may choose the colours and finishes for the Purchaser, and the Purchaser agrees to accept the Vendor's selections.

PURCHASER TO HAVE CHOICE OF COLOURS AND MATERIALS FROM VENDOR'S STANDARD SAMPLES OF THE FOLLOWING (subject to Vendor's conditions)

- Flooring, ceramic wall tile at bathtub and separate shower enclosures where applicable, foyer, kitchen, breakfast area, all washrooms.
- Kitchen and bathroom cabinets and countertops.
- Wall-to-wall broadloom on second floor. Purchaser's choice of one colour from Vendor's standard samples.
- Interior wall colour.
- Purchaser's choice of exterior colour packages from Vendor's standard samples, subject to availability and architectural control.
- Colour boards are regularly updated and certain colors and materials may not be available at time of construction. Any substitution will be for materials of equal or better quality.

Prices and specifications are subject to change without notice. Builder has the right to substitute materials of equal or better quality.

A wide variety of upgrades and options are available.

E. & O.E. May 20, 2020

SCHEDULE "C"
ADDITIONAL PURCHASER COVENANTS, CONDITIONS AND
RESTRICTIONS

1. **DEFINITIONS AND INTERPRETATION**

- (a) The following definitions shall apply to this Agreement:
- (i) **"Agreement"** means this agreement of purchase and sale, together with any schedules hereto and includes any amendments to this Agreement.
 - (ii) **"Business Day"** has the meaning ascribed thereto in the Tarion Addendum.
 - (iii) **"Closing"** has the meaning ascribed thereto in the Tarion Addendum.
 - (iv) **"Closing Date"** means the date upon which the transaction contemplated by this Agreement is scheduled to be completed and is deemed to be the first such date as set out in the Critical Dates section of the Tarion Addendum (that is the First Tentative Closing Date), as same may be extended from time to time in accordance therewith.
 - (v) **"Developer"** has the meaning ascribed thereto in paragraph 13 hereof.
 - (vi) **"Development Charge Rebate"** has the meaning ascribed thereto in paragraph 23 hereof.
 - (vii) **"Development Charges"** has the meaning ascribed thereto in paragraph 23 hereof.
 - (viii) **"Dwelling"** and **"Dwelling"** are used interchangeably and means the house to be constructed on the Land.
 - (ix) **"Early Termination Conditions"** has the meaning ascribed thereto in the Tarion Addendum.
 - (x) **"ETA"** has the meaning ascribed thereto in paragraph 6(d)(ii) hereof.
 - (xi) **"Extras"** means any and all extras, upgrades or changes to the Vendor's standard specifications for the Dwelling and/or the Real Property.
 - (xii) **"HIP"** has the meaning ascribed thereto in paragraph 14(b)(ii) hereof.
 - (xiii) **"HST"** has the meaning ascribed thereto in paragraph 6(d)(ii) hereof.
 - (xiv) **"HST Rebate"** has the meaning ascribed thereto in paragraph 6(d)(ii) hereof.
 - (xv) **"Land"** means the lands upon which the house being purchased is to be constructed and is as set out on the first page of this Agreement opposite the words "Lot No.".
 - (xvi) **"LTT Confirmation Number"** means the confirmation number that is obtained after completion by the Purchaser and the Purchaser's solicitor of the PIPS 5 Form.
 - (xvii) **"LVTS"** means the Large Value Transfer System.

- (xviii) “**Marketing Materials**” has the meaning ascribed thereto in paragraph 24(b) hereof.
- (xix) “**Municipality**” means the Town of Richmond Hill. “**Municipal**” shall have a corresponding meaning.
- (xx) “**NRST**” means the Non-Resident Speculation Tax as set out in Sections 2.1, 2.2 and 2.3 of the *Land Transfer Tax Act* (Ontario) and the regulations thereunder.
- (xxi) “**ONHWPA**” means the *Ontario New Home Warranties Plan Act* (Ontario), as amended from time to time, including all regulations made thereunder.
- (xxii) “**PDI**” has the meaning ascribed thereto in paragraph 14(b) hereof.
- (xxiii) “**PDI Form**” has the meaning ascribed thereto in paragraph 14(b) hereof.
- (xxiv) “**PIPS 5 Form**” means the Prescribed Information for Purposes of Section 5.01 of the *Land Transfer Tax Act* (Ontario) form.
- (xxv) “**Purchase Agreement**” has the meaning ascribed thereto in paragraph 13 hereof.
- (xxvi) “**Purchase Price**” means the price set out on page 1 of this Agreement opposite the words “Purchase Price”.
- (xxvii) “**Purchaser**” means the purchaser set out on page 1 of this Agreement.
- (xxviii) “**Purchaser’s Improvements**” has the meaning ascribed thereto in paragraph 11(c) hereof.
- (xxix) “**Rebate Recipient**” has the meaning ascribed thereto in paragraph 6(d)(ii)(a) hereof.
- (xxx) “**Real Property**” means the Land and Dwelling.
- (xxxi) “**Registration Agreement**” has the meaning ascribed thereto in paragraph 20(c) hereof.
- (xxxii) “**Sole Discretion**” and “**sole discretion**” has the meaning ascribed thereto in paragraph 1(c)(iv) hereof.
- (xxxiii) “**Subdivision**” has the meaning ascribed thereto in paragraph 13 hereof.
- (xxxiv) “**Subdivision Agreement**” has the meaning ascribed thereto in paragraph 7(a) hereof.
- (xxxv) “**System**” has the meaning ascribed thereto in paragraph 20(b) hereof.
- (xxxvi) “**Tarion**” has the meaning ascribed thereto in paragraph 14(b) hereof.
- (xxxvii) “**Tarion Addendum**” has the meaning ascribed thereto on page 1 of this Agreement.
- (xxxviii) “**Vendor**” means the vendor set out on page 1 of this Agreement.

(b) **Tarion Addendum Definitions**

The Tarion Addendum forms part of this Agreement. The definitions in the Tarion Addendum apply only to the Tarion Addendum and are applicable thereto, unless they are specifically referenced and set out in Section 1 hereof, in which instance any such definitions will also apply to this Agreement. If any date for Closing is expressed in this Agreement or in any other document to be subject to change depending upon the happening of an event (other than as permitted in the Tarion Addendum), then such provision shall be deemed null and void and never to have had any effect or to have come into existence.

(c) **Interpretation/Construction**

- (i) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined.
- (ii) Where the words "**including**", "**includes**" and similar expressions are used in this Agreement, it means "including (or includes) and without limitation". Where the context permits the expression "**without limitation**" and similar expressions, those expressions mean "including without limitation and without limiting the generality of anything contained herein". Where a list of items follows the term "**including**" or any similar expression, the list will only be illustrative and not exhaustive and the matters to be included will be given as broad a scope as possible and will not be limited to the items listed or to matters similar in nature or kind to those listed.
- (iii) Where the phrase "**and/or**" is used in this Agreement, it means any combination of the two options; one, the other (either), or both.
- (iv) Where the phrase "**sole discretion**" or "**Sole Discretion**" is used in this Agreement, it means the sole, absolute, unfettered and unreviewable discretion of the Vendor which may be arbitrarily exercised and without the requirement to provide any rationale or explanation for, of or with respect to the exercise of such discretion.
- (v) The word "**will**" shall be construed to have the same meaning and effect as the word "**shall**".
- (vi) The words "**herein**", "**hereof**" and "**hereunder**", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provisions hereof.
- (vii) Where this Agreement provides from time to time that the Purchaser has appointed the Vendor as its lawful attorney, the Purchaser hereby confirms and agrees that: (1) the power of attorney is coupled with an interest and shall not be revoked or terminated by any insolvency, bankruptcy or any subsequent incapacity or disability of the Purchaser; (2) such appointment and power of attorney shall be effective as of the date of execution of this Agreement by the Purchaser; (3) such appointment and power of attorney shall not merge upon the closing of the transaction contemplated by this Agreement and the registration of any transfer in connection therewith, but shall survive same for a period of ten (10) years; and (4) such appointment and power of attorney is granted in accordance with the provisions of the *Powers of Attorney Act* (Ontario).
- (viii) Any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time.
- (ix) No provision of this Agreement shall be construed against the Vendor by reason that the Vendor has or is deemed to have drafted the provision. The Purchaser acknowledges and agrees that the

Purchaser has been given the opportunity to seek independent legal advice in connection with this Agreement and that the Purchaser has entered into this Agreement freely and voluntarily.

(d) **Currency**

Unless otherwise specified, all amounts are stated in Canadian Dollars.

(e) **Headings and Table of Contents**

The division of this Agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this Agreement.

2. **CONDITIONS**

(a) **PLANNING ACT CONDITION**

This offer is conditional upon the Vendor obtaining, prior to Closing, compliance with the subdivision control provisions (Section 50) of the *Planning Act* (Ontario), which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.

(b) **EARLY TERMINATION CONDITIONS**

This Agreement may contain Early Termination Conditions as set out in paragraph 6 of the Tarion Addendum and where necessary on any appendix attached thereto. If the Early Termination Conditions are not satisfied or deemed satisfied (or waived or deemed to have been satisfied or waived, if applicable), as provided for in paragraph 6 of the Tarion Addendum, then this Agreement will terminate; monies shall be returned in accordance with the Tarion Addendum and the parties shall have no other obligations or liabilities pursuant to this Agreement, or otherwise at law or in equity.

(c) **OTHER CONDITIONS**

The Purchaser is cautioned that there may be other conditions in this Agreement that allow the Vendor to terminate this Agreement due to the default of the Purchaser.

3. **DEFAULT AND REMEDIES**

(a) **Default by the Purchaser**

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

- (i) upon the non-payment of all or any portion of the Purchase Price, or any other sum due hereunder, on the date or times that same are required to be paid;
- (ii) upon a breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser;
- (iii) upon any lien, execution, encumbrance or registration arising from any action or default whatsoever of the Purchaser being registered against or affecting the Real Property; or
- (iv) if the approval of the Purchaser by any mortgagee is withdrawn for any reason which is not a default of the Vendor pursuant to this Agreement.

(b) **Evidence of Default**

A certificate of an officer, employee or agent of the Vendor that default has been made and the date of default and that notice, if required, of such default has been mailed, e-mailed, faxed or transmitted by other electronic means to the Purchaser or the Purchaser's solicitor, shall be prima facie evidence of the facts therein stated. No failure or delay or forbearance by the Vendor, its officers or employees in exercising, and no course of dealing with respect to, any right or power hereunder or under any related agreement shall operate as a waiver of any rights or powers of the Vendor hereunder, nor shall any single or partial exercise of any such right or power or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The Vendor's conduct and performance of its obligations under this Agreement and correspondence with the Purchaser shall not constitute a waiver of any of the covenants or obligations of the Purchaser contained herein nor shall such conduct by the Vendor have the effect of precluding the Vendor from thereafter declaring the Purchaser's prior failure to satisfy the Purchaser's obligations under this Agreement an event of default or breach of contract by the Purchaser.

(c) **Vendor's Remedies**

In the event of a default by the Purchaser, in addition to any other rights or remedies which the Vendor may have, including, without limitation, the right to recover any damages suffered by reason of the Purchaser's default, the Vendor, at its option, shall have the right to declare this Agreement null and void and in such event, all monies paid hereunder (including the deposits paid or agreed to be paid by the Purchaser pursuant to this Agreement as set forth on the first page hereof, or on any schedule hereto, which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon and monies paid or payable for Extras ordered by the Purchaser, whether or not installed in the Real Property, shall be forfeited to the Vendor as liquidated damages and not as a penalty (all without prejudice to any other right or remedy of the Vendor, whether at law or in equity, including without limitation the right to recover any damages suffered by the Vendor by reason of the Purchaser's default). Without limiting the foregoing, in the event of a default by the Purchaser, the Purchaser shall indemnify and hold the Vendor harmless from and against all losses (including the loss of any sums outstanding pursuant to this Agreement), costs (including legal fees on a full indemnity scale), expenses, actions, suits, causes of action, proceedings, damages and liabilities, incurred and/or suffered as a result of the Purchaser's default. For greater certainty, in case suit shall be brought because of the breach or default of any part of this Agreement by the Purchaser, the Purchaser shall pay to the Vendor all expenses incurred therefor, including without limitation reasonable legal fees on a full indemnity scale.

(d) **Documents if Transaction Does Not Close**

If the within transaction is not completed for any reason other than a default of the Vendor and notwithstanding refund or forfeiture of the deposits, the Purchaser shall execute and deliver such documents affecting title to the Real Property or a release (provided same is not prohibited by the Tarion Addendum) with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute and deliver such documents, the Purchaser hereby authorizes the Vendor to be its true and lawful attorney to so execute the said documentation. Notwithstanding non-completion of this transaction due to Purchaser default, the Purchaser is liable for the full cost of Extras ordered, whether installed or not and if installed whether completed in whole or in part.

(e) **Rights of Vendor**

It is understood and agreed that the rights contained in this paragraph 3 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. **IN THE EVENT THE PURCHASER FAILS TO MAKE PAYMENT AS AND WHEN REQUIRED PURSUANT TO THE TERMS OF THIS AGREEMENT, IN ADDITION TO ANY OTHER RIGHTS OF THE VENDOR, PURSUANT TO THIS AGREEMENT OR AT LAW, THE AMOUNT REQUIRED TO BE PAID SHALL BEAR INTEREST AT AN INTEREST RATE OF FIFTEEN PERCENT (15%) PER ANNUM, COMPOUNDED MONTHLY CALCULATED FROM THE DUE DATE TO THE DATE OF PAYMENT.** The Purchaser specifically confirms having reviewed and understood the foregoing provision and acknowledges and agrees that same has been specifically called to the Purchaser's attention. The Purchaser acknowledges and confirms that the Purchaser has been made aware of the rate of interest charged under this Agreement and that such rate is not onerous and is reasonable.

Where the Vendor incurs any costs or expenses pursuant to this Agreement as a result of a breach or default of the Purchaser pursuant to the terms of this Agreement or as a result of an indemnity given by the Purchaser in favour of the Vendor, the repayment by the Purchaser to the Vendor of such costs and expenses shall be increased by an administrative fee of fifteen percent (15%) of the total of such costs and expenses, all of which are to be paid to the Vendor within five (5) days of written request therefore.

(f) **Indemnity**

Without limiting the foregoing the rights of the Vendor set out in paragraph 3 or otherwise in this Agreement, the Purchaser shall indemnify and hold harmless the Vendor from and against all losses, costs (including legal fees on a full indemnity scale), expenses, actions, suits, causes of action, proceedings, damages and liabilities incurred and/or suffered as a result of the Purchaser's default.

(g) **Vendor's Lien**

The Purchaser agrees that the Vendor shall have a vendor's lien on the Closing Date for unpaid purchase monies or adjustments or any other claims herein in this Agreement provided, together with interest thereon as provided for in this Agreement. The Purchaser covenants and agrees to forthwith pay all costs in relation to said vendor's lien including without limitation, the Vendor's solicitors' legal fees on a full indemnity scale and disbursement and the cost to register the said vendor's lien on title to the Real Property. The Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the vendor's lien after such unpaid purchase monies or adjustments or claims herein provided, as applicable, together with the interest thereon as provided for herein have been received by the Vendor by certified cheque and upon payment of a release fee of Two Hundred and Fifty (\$250.00) Dollars plus HST and applicable disbursements.

(h) **Rights of Purchaser**

Notwithstanding anything contained to the contrary in this Agreement, but subject always to the Tarion Addendum, all rights, remedies and recourses of the Purchaser in connection with this Agreement and the transaction

resulting therefrom (and whether arising, based upon or founded in contract, tort, equity or otherwise) for any default of the Vendor hereunder are limited solely to the return of the deposits paid by the Purchaser pursuant to this Agreement and the Purchaser shall have no remedy or claim whatsoever against the Vendor or its agents, nominees, trustees, directors, officers, shareholders or any other person, firm, corporation, partnership, limited partnership or other entity related to or associated with the Vendor for economic loss, expectation damages or any other damages whatsoever whether arising, based upon or founded in contract, tort, equity or otherwise. This provision may be pleaded by the Vendor and by its agents, nominees, trustees, directors, officers, shareholders or any other person, firm, corporation, partnership, limited partnership or other entity related to or associated with the Vendor as a complete defense to any such claim.

4. **KEYS**

The Purchaser agrees that keys may be released to the Purchaser at the Vendor's head office or construction site office upon completion of this transaction, at the Vendor's option. The Purchaser agrees that the Vendor's solicitor's advice that keys are available for release to the Purchaser shall constitute a valid tender of keys on the Purchaser.

5. **EXTRAS**

- (a) The Purchaser covenants and agrees to pay for all Extras in advance or, if consented to in writing by the Vendor, at time of Closing.
- (b) Where any Extras so ordered or requested (as evidenced by an order upgrade selection form, amendment to agreement of purchase and sale or otherwise) are omitted, not available to the Vendor for any reason whatsoever, or cannot be installed in the sole discretion of the Vendor, on a timely basis, then the Vendor, without notice to the Purchaser, shall be permitted to refund to the Purchaser any monies actually paid for such Extras and the Purchaser shall thereafter have no recourse, action or claim whatsoever against the Vendor. The Purchaser covenants and agrees that the Vendor shall not be liable to the Purchaser for any liability, obligation or claim whatsoever arising from or relating, directly or indirectly, to the Vendor's exercise of its rights pursuant to this paragraph and the Purchaser forever releases and discharges the Vendor from any such liability, obligation or claim.
- (c) If the Purchaser neglects to advise the Vendor forthwith upon request as to the Purchaser's selection of finishing specifications or orders any Extras, or the Purchaser's contractor who is authorized by the Vendor to perform any work in or about the Dwelling which delays the Vendor's construction operations, the Purchaser agrees to complete the transaction on the Closing Date herein set out without holdback of any part of the Purchase Price on the Vendor's undertaking to complete any of the Vendor's outstanding work.
- (d) The Purchaser further acknowledges and agrees that where the Purchaser desires to make or has made any selections that are Extras to the Dwelling, the Vendor may refuse, in its sole discretion, to process, permit, install or complete same where the Purchaser fails to pay any sum due or owing for such extras, upgrades or changes, including any deposit required for same, or is otherwise in default of any term of this Agreement. In such a situation, the Vendor shall have the right to proceed with construction of the Dwelling in accordance with the standard specifications in this Agreement and the Purchaser shall complete the purchase of the Real Property in accordance with this Agreement and the Purchaser shall have no recourse, action or claim whatsoever against the Vendor.
- (e) All selections and all Extras must be ordered through the Vendor and paid to the Vendor unless the Vendor has authorized in writing that the selection or such Extras may be made directly with an authorized supplier or a third

party where the Vendor has given written permission to the third party to supply and/or install prior to the Closing Date. The Purchaser covenants and agrees that they will not, in any circumstances, either personally or by their agent, servant or authorized representative, perform or have performed any work of any nature or kind whatsoever on the Real Property or interfere with the work being done on the Real Property or within the subdivision, prior to the registration of a Transfer/Deed of Land to the Purchaser. The Purchaser hereby acknowledges and agrees to having been advised that the Vendor's sales representatives and construction site employees do not have the authority to waive the requirements of this paragraph nor do the Vendor's sales representatives and construction site employees have the authority to authorize any work contrary to this paragraph and the Purchaser must at all times prior to the registration of a Transfer/Deed of Land of the Real Property to the Purchaser receive the written authorization or waiver from a duly authorized signing officer of the Vendor, at the Vendor's décor centre or head office.

6. **ADJUSTMENTS, HST AND TRANSFER TAXES**

(a) **Adjustments**

Realty taxes (including local improvement charges, if any), water and assessment rates, hydro, water and gas rates, fuel, etc., shall be apportioned and allowed to the Closing Date. Realty taxes shall be as reasonably estimated by Vendor for the calendar year in which the Closing Date falls as if the Property had been fully completed and separately assessed and invoiced (including any supplementary assessment with respect thereto) and paid in full, notwithstanding that same may not have been levied, assessed and/or paid by the Closing Date. The Purchaser shall, on the Closing Date, pay to and/or reimburse the Vendor for:

- i. the realty taxes required to be paid during the year of the Closing, as estimated by Vendor, subject to readjustment when the actual amount of such realty taxes is ascertained and is no longer subject to appeal by Purchaser, provided that such obligation to readjust shall expire on the date that is two years following the Closing Date if neither Purchaser nor Vendor has requested such readjustment in writing from the other party within such two year period. Notwithstanding the foregoing, the Vendor shall not be obliged to make any readjustment for taxes in the event that: (i) the written request by the Purchaser for such readjustment has not been received by the Vendor within forty-five (45) days from the date of issuance of the assessment from the relevant taxing authority; or (b) such readjustment is equal to or less than One Hundred and Fifty (\$150.00) Dollars;
- ii. an amount equal to the development charges, education development charges, parks levy, improvement charges and any other charges or levies assessed against or imposed by the Governmental Authorities on the Real Property (or assessed against the development as a whole and attributed to the Real Property by prorating same in accordance with the number and type of Units), which have been paid or are payable by the Vendor, provided that any such payment and/or reimbursement by Purchaser for the items referred to in this Subsection 6(a)ii shall not exceed:
 - (a) \$8,000.00 for a Townhouse Dwelling;
 - (b) \$10,000.00 for a Semi-detached Dwelling; and
 - (c) \$15,000.00 for a Single Dwelling;
- iii. the unpaid charges for supplying and installing any upgrades, extras or changes to the standard Vendor's features and finishes or to the Real Property ordered by Purchaser;
- iv. the Vendor's cost of enrolling the Real Property under Tarion pursuant to the ONHWPA;
- v. an administrative fee of \$250.00 for any cheque delivered to the Vendor

- that is not accepted by Vendor's bank for any reason;
- vi. an administrative fee of \$50.00 for the preparation and delivery of each separate piece of written evidence of the receipt of Purchaser's deposits;
 - vii. an administrative fee of \$500.00 for the installation of a water meter for the Real Property;
 - viii. an administrative fee of \$375.00 for boulevard tree planting and landscaping, notwithstanding that a tree may not be planted on the Real Property or in the boulevard adjacent to the Real Property;
 - ix. an administrative fee of \$50.00 for the preparation of documents for the electronic registration of the Transfer/Deed;
 - x. the cost of the Vendor's solicitor's LawPro real estate transaction levy surcharge relating to this Agreement;
 - xi. a fee of \$1,800.00 for the installation of a rear deck if required by a Governmental Authority;
 - xii. a fee of \$3,000.00 for the installation of air conditioning if required by a Governmental Authority;
 - xiii. a fee of \$20,000.00 for a walk-out basement if required by a Governmental Authority;
 - xiv. a fee of \$2,000.00 for the Vendor's subdivision grading deposit, which fee will be returned to the Purchaser following the Governmental Authority's approval and registration of the Subdivision provided that the Purchaser does not affect the grading in any way; and
 - xv. interest on any outstanding amounts owed to the Vendor, if any, required in accordance with Subsection 3(e) of this Agreement.

All of the payments and/or reimbursements referred to in this Subsection 6(a) shall be reflected in the statement of adjustments on Closing, and shall be paid by Purchaser on Closing.

(b) **Assumption of Hydro / Other Services / Hot Water Heater**

The Purchaser shall assume sole responsibility for all charges for hydro and other services and utilities (including without limitation gas, water, cable TV and other telecommunications) immediately upon closing to the absolute exoneration of the Vendor. Notwithstanding that the Vendor may, at the Vendor's sole discretion, initiate or take steps to assist the Purchaser and the supplier of such services and utilities in arranging for such applicable account to be set up, the Vendor is not obliged to provide such assistance to the Purchaser. Accordingly, any such assistance provided by the Vendor is strictly provided as a courtesy on a no liability basis. It is at all times the Purchaser's sole responsibility to arrange for, set up and make payment all in a satisfactory, accurate and timely manner for all charges and accounts prior to the Closing Date and to provide any such security, information and documentation as may be required by the supplier. The Purchaser is advised and it is further understood and agreed that the hot water heater and tank are not included in the Purchase Price and that the hot water heater and tank are chattel property supplied on a rental basis which will remain the property of the applicable utility/servicing/leasing company and in such event, the Purchaser shall pay the monthly rental, delivery and administrative charges and fees assessed with respect thereto from and after the Closing Date and shall execute and deliver all rental documentation, void cheques and pre-authorized payment forms (on the applicable utility/servicing/leasing company standard form) in connection therewith and shall pay all deposits and security required thereby. The Purchaser acknowledges and agrees that all such charges, fees, deposits and security will be at the rates established by the applicable utility/servicing/leasing company at the Closing Date (and which may change thereafter from time to time) and not at the time of execution of this Agreement and will be provided either at or prior to the Closing Date or with the first rental bill received after the Closing Date. Any rental contract will take effect between

the Purchaser and the applicable utility/servicing/leasing company on the Closing Date. The Purchaser hereby appoints the Vendor as the Purchaser's lawful attorney for the purpose of entering into the applicable utility/servicing/leasing company standard rental agreement, if so required by the Vendor at the Vendor's sole discretion. The Purchaser acknowledges and agrees that the model and type of any rental equipment shall be determined by the Vendor at the Vendor's sole discretion at any time prior to closing (i.e. the water heater may be a tank or tankless model). The Purchaser acknowledges, agrees and irrevocably consents to the registration by the applicable utility/servicing/leasing company of: (A) a notice of security interest, a notice of lease, a notice of agreement or any other requisite registrations on title to the Land; and/or (B) the registration of a financing statement against the name of the Purchaser pursuant to the *Personal Property Security Act* (Ontario), in connection with any rental items, and the Purchaser acknowledges and agrees that the same may be registered in priority to any of the Purchaser's closing registrations (and the Purchaser shall execute any postponement and subordination documentation required by the Vendor to give effect to the foregoing). To the extent permissible at law or otherwise, the Purchaser hereby waives notice of any such registrations. The Vendor shall be entitled to all rebates issued or paid by any utility/servicing/leasing company or by any entity supplying the equipment to the Real Property and the Purchaser agrees to execute any form of acknowledgements, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to such rebate.

(c) **HST**

(i) The Purchaser agrees to personally occupy the Dwelling as the Purchaser's principal residence forthwith after Closing, and to allow the Vendor's inspectors or agents or representatives of Canada Revenue Agency access to the Dwelling at all reasonable hours until the Vendor has received all HST Rebates. In the event that the Purchaser does not personally occupy the Dwelling as the Purchaser's principal residence and deliver on closing the necessary documents, evidence and affidavits required by the Vendor with respect to HST, then the Purchaser shall pay an amount on the Closing Date equal to such HST Rebate that would have been available had the Purchaser occupied the Dwelling as the Purchaser's principal residence.

(ii) With respect to the payment of federal goods and services tax and the Province of Ontario's portion of any harmonized single sales tax (which federal and provincial harmonized single sales tax is called the "**HST**") and the rebate of HST (that is both the federal and provincial rebates) for new houses and whether in existence now or in the future (which aforesaid federal and provincial rebates are collectively called the "**HST Rebate**"), under the *Excise Tax Act* (Canada) as amended and the regulations thereunder (the "**ETA**"), the parties agrees as follows:

(A) The Vendor agrees that the Purchase Price is inclusive of HST (based on a 13% HST rate and net of the HST Rebate) and that following Closing, the Vendor will pay and remit the HST (net of the HST Rebate), in accordance with the provisions of the ETA, subject to the Purchaser assigning to the Vendor (or as the Vendor may otherwise direct, it being understood that the Vendor may be a trustee or nominee acting on behalf of any other company (or companies) or partnership (or partnerships) that are to receive the HST Rebate (the "**Rebate Recipient**")) the HST Rebate, as hereinafter set out. The Purchaser hereby assigns to the Purchaser or the Rebate Recipient, as applicable, all of the Purchaser's right, title and interest in and to the HST Rebate

including the Purchaser's entitlement thereto, all in respect of the Real Property.

- (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 complete and deliver to the Vendor before, on, or after Closing, as the Vendor may require or direct, such documents, certificates, declarations, instrument, applications and powers of attorney to enable the Vendor or the Rebate Recipient to obtain payment of the full amount of HST Rebate and in such form and content as the Vendor may require or direct, including, without limitation:
- (1) a prescribed new housing rebate application containing prescribed information executed by the Purchaser;
 - (2) a power of attorney; and
 - (3) assignment of HST Rebate to the Vendor or the Rebate Recipient.

In this regard, the Purchaser hereby irrevocably authorizes the Vendor to execute any application for the HST Rebate, to complete any incomplete, incorrect or missing information in any application for HST Rebate and make amendments with respect thereto. The Purchaser hereby constitutes and appoints the Vendor to be and act as the Purchaser's lawful attorney, in the Purchaser's name, place and stead, for the purpose of executing any application for HST Rebate and completing any incomplete, incorrect or missing information or making amendments to the application for HST Rebate, as aforesaid.

- (C) The Purchaser agrees to provide the Vendor with all information, identification, address verification and documentation required by the Vendor in connection with the registered and beneficial ownership of the Real Property and in connection with the occupancy of the Real Property or information, identification and address verification with respect to any other person in connection therewith. Such information, identification and address verification shall be by way of sworn statutory declaration in form and content required by the Vendor and to be delivered to the Vendor on or before Closing.
- (D) In the event that the Purchaser is not eligible for the HST Rebate or any part thereof, (whether determined before, on or after the Closing and notwithstanding that the price of the Real Property would qualify for a rebate) pursuant to the provisions of the ETA, then the Purchaser shall forthwith upon demand pay a sum equal to the HST Rebate that would have otherwise been applicable to the Real Property, to the Vendor and the Purchaser shall not be entitled to any credit for or with respect to the HST Rebate. The Purchaser hereby agrees that the amount of the HST Rebate (plus HST) to be paid by the Purchaser to the Vendor (or as it may direct) in accordance herewith shall be a charge against the Real Property in favour of the Vendor, together with any interest, and secured by a lien (including a vendor's lien), charge or caution as the Vendor deems appropriate on and against the Real Property.
- (E) The Purchaser represents and warrants that the Purchaser

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 covenants and agrees that such representation and warranty shall be true and correct at Closing and shall not merge on Closing but shall continue thereafter. If the foregoing representation and warranty is not true and correct in all respects, then (in addition to the foregoing provisions of this paragraph 6(d)), the Purchaser hereby indemnifies and saves harmless the Vendor and the Rebate Recipient from and against all costs, expenses, actions, suits, causes of action, proceedings, damages and liabilities, which the Vendor or Rebate Recipient may sustain or incur, including without limiting the generality of the foregoing, any penalty, fine, interest, other charge, payment or expense whatsoever, which the Vendor and the Rebate Recipient may sustain, suffer or incur.

- (F) Notwithstanding anything contained to the contrary in this Agreement, the Vendor in the Vendor's sole discretion may require that the Purchaser apply directly for the HST Rebate after the Closing Date and in such event, the Purchaser shall pay to the Vendor in accordance with the terms of this Agreement, the amount of the HST Rebate (plus HST) in addition to the Purchase Price and the HST Rebate shall not be assigned by the Vendor to the Purchaser on Closing and shall not be credited by the Vendor to the Purchaser on the statement of adjustments.
- (iii) Notwithstanding any other provisions herein contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any adjustments payable by the Purchaser pursuant to this Agreement and for any Extras which are not specifically set forth in this Agreement and the Purchaser covenants and agrees to pay such HST to the Vendor as so directed by the Vendor.
- (d) **Transfer and other Taxes**
- (i) The Purchaser agrees to pay the cost of registration of the Purchaser's own documents and any tax in connection therewith. Notwithstanding the generality of the foregoing, the Purchaser agrees to pay the land transfer taxes in connection with the registration of the Purchaser's transfer, and undertakes to register the transfer on Closing and other than as provided herein, the Purchaser shall pay and be responsible to the complete exoneration of the Vendor for all other taxes imposed (including any NRST, if applicable, or any increase in the federal component of the HST beyond 5% or any increase in the provincial component of the HST beyond 8% or any increase in any combined rate of 13%) imposed on the Real Property or the purchase of the Real Property, by the federal, provincial or municipal government, or otherwise by statute, regulation or by-law whether or not the legislation imposing such tax places the responsibility for payment thereof onto the Vendor and the Vendor shall be allowed to charge the Purchaser as an adjustment with the estimated amount of any such tax notwithstanding that such tax may not have been formally or finally levied and payable with such tax adjustment being subject to readjustment, if necessary. The Purchaser shall not be entitled to any abatement of or reduction in the Purchase Price with respect to any reduction in the HST.
- (ii) Notwithstanding anything contained in this Agreement and/or in the Registration Agreement to the contrary, it is understood and agreed by the parties hereto that the Purchaser and the Purchaser's solicitor

shall be obliged to complete the PIPS 5 Form and to provide the Vendor's solicitor with the LTT Confirmation Number and NRST information, together with any receipt of payment number in respect to any NRST so exigible and payable by the Purchaser in connection with this purchase and sale transaction (if applicable) by no later than five (5) days prior the Closing Date, in order to enable or facilitate the completion of the electronic transfer by the Vendor's solicitor and to correspondingly enable the Vendor's solicitor to sign the electronic transfer for completeness. Notwithstanding the foregoing, the Vendor is under no obligation whatsoever to complete the Land Transfer Tax affidavit and the Purchaser agrees that it is the Purchaser's and the Purchaser's solicitor's sole obligation and responsibility to complete the Land Transfer Tax affidavit, including without limitation the PIPS 5 Form and NRST information (if applicable).

7. **TITLE**

(a) **Title**

Provided that title is good and free from all encumbrances, or is an insurable title, except as herein stated and except for: (i) any subdivision, site plan, development, engineering or similar agreement (collectively the "**Subdivision Agreement**"); (ii) any easements or rights-of-way or licenses which may be required for the maintenance of mutual driveways or for adjoining dwellings; (iii) any registered restrictions or covenants that run with the land; and (iv) minor encroachments of eaves, roof overhang, pipes, meters and footings. The Purchaser is not to call for the production of any title deed, survey, abstract or other evidence of title. The Purchaser is to be allowed until fifteen (15) days before the Closing Date to examine the title at the Purchaser's own expense. If within that time any valid objection to title is made in writing to the Vendor which the Vendor shall be unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intermediate acts or negotiations in respect of such objections, be null and void and the Deposits shall be returned to the Purchaser by the Vendor without interest and otherwise subject to the terms of this Agreement, and the Vendor shall not be liable to the Purchaser for any costs or damages, or have any other liability to the Purchaser whatsoever. Notwithstanding anything herein contained and notwithstanding the provisions of the *Land Titles Act* (Ontario) and any amendments thereto or any successor legislation, where any mortgages, charges, debentures or trust deeds (and any related assignment of rents, transfers of charge, postponements or other instruments related thereto) are registered on title and where discharges, cessations, partial discharges or partial cessations thereof are tendered for registration in the appropriate Land Registry Office, such mortgages, charges, debentures or trust deeds (and any related assignment of rents, transfers of charge, postponements or other instruments related thereto) 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 for Property Identifier 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* (Ontario), as amended, and any successor legislation. The Purchaser covenants and agrees to accept title subject to any existing open or unresolved notices, permits, active files, orders, deficiency lists, or other requirements whatsoever issued with respect to the Real Property by any governmental authority, the Municipality or any board of fire underwriters or any other relevant body or agency having jurisdiction and the same shall be deemed to not affect the marketability of the Real Property or title thereto. Save as to any valid objection so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property. 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. Further, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned. The cost of any such title insurance policy shall be at the sole cost and expense of the Purchaser.

(b) **Permitted Encumbrances**

Notwithstanding anything herein contained, the Purchaser covenants and agrees to accept title to the Real Property subject to and to be bound by and comply with the following:

- (iii) any subdivision agreement, development agreement, municipal agreement pursuant to Section 37 of the *Planning Act* (Ontario), servicing agreement, site plan agreement, financial agreement, encroachment agreement or similar type of interest or right to maintain or permit the existence of an encroachment, security agreement, collateral agreement, engineering agreement, noise agreement, transportation management agreement, railway or Metrolinx agreement (including any noise/environmental easement) and any other agreement or other instrument containing provisions relating to the use, development, installation of services and utilities or the erection of a dwelling or other improvements in or on the Real Property and which may now or hereafter be registered on title to the Real Property (including all amendments to the foregoing agreements) (and whether relating to the current project of which the Real Property forms part of or any previous project or development), including the acceptance of those notice and warning clauses set out in Schedule "D" hereto (which the Purchaser acknowledges having been advised of) and any other warning clauses required by the Municipality or any other governmental authority. The Purchaser shall not make or pursue any claim whatsoever against the Vendor, or against any other party, for compensation or an abatement in the Purchase Price, or for damages or otherwise, nor initiate or pursue any claims, action or proceeding against the Vendor or against any other party as a result of an act, cause, damage, loss, matter or thing whatsoever arising out of or relating to any notices and warning clauses required by the Municipality or other governmental authority or agency or as otherwise included in Schedule "D" hereto;
- (iv) all covenants, easements, licences, interests and rights which may now or hereafter be required by the Municipality or any authority, commission or corporation or by the Vendor or Developer, 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, telecommunications, internet and other services or by any railway company or Metrolinx for the provision of a noise/environmental easement, or for the maintenance, repair or replacement of any adjoining dwelling, if applicable. The Purchaser covenants and agrees:
- (1) to consent to the granting of such easements, licenses and rights; and
 - (2) to execute all documents and do all other things requisite for this purpose.

After any transfer 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, licenses and rights and shall obtain all mortgagee postponements and shall obtain a similar covenant in any agreement entered into between the Purchaser and any subsequent purchaser;

- (v) all easements and rights of way and rights of passage, ingress or egress (including all committee of adjustment decisions and certificates for all of the foregoing) and any similar type of licence or agreement, which may be registered, required or granted to any adjoining, adjacent or other land owner;
- (vi) any temporary easements and rights of way and rights of passage and any similar type of licence or agreement in favour of the Vendor or related entities for construction, operation and/or sales relating to the development of lands adjacent or in nearby proximity to the Real Property;
- (vii) any agreements or licences or similar type of interest or rights contained in any instrument relating to party walls, maintenance rights-of-way and the establishment of same;
- (viii) any by-laws, regulations, covenants, restrictions, rights, licenses, rights-of-way and agreements which may now or hereafter be registered against title to the Land;
- (ix) the right of the Vendor, Municipality or service provider and its or their servants, agents and employees, to enter onto the Land and to inspect and install services and utilities and to maintain, repair and replace same;
- (x) any restrictive covenants, conservation easements and restrictions, building restrictions and warning clauses (whether set out herein or in any schedule hereto), affecting the Real Property whether registered now or at any time prior to Closing and the Purchaser agrees to comply with same and to execute and deliver on closing any form of agreement to evidence such compliance and such restrictive covenants and building restrictions may be contained in the transfer to the Purchaser;
- (xi) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment on or in the Land;
- (xii) 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 in the Purchase Price, 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;
- (xiii) any mortgage or mortgages, charge or charges, debenture or debentures, or any trust deeds as provided for in this Agreement;
- (xiv) any reference plans, boundaries act plans, subdivision plans, declaration under the *Registry Act* (Ontario), declaration or affidavit of possession or Land Registrar's Orders registered on title;
- (xv) any connection agreements, licence agreements, easement

agreements, reciprocal easement and shared facilities operating agreements or any other agreements, arrangements or relationships with a transit authority or transit provider;

- (xvi) any certificates, notices or other title registrations of the Ministry of the Environment, Conservation and Parks or other authority relating to the environmental status of the Real Property, including without limitation, any certificates of requirement or certificates of property use registered on title pursuant to applicable environmental legislation; and
- (xvii) any right of entry or re-entry as provided for in this Agreement.

The Vendor shall not be required to provide and the Purchaser shall not requisition, any letters of compliance, releases or discharges with respect to any of the matters referred to in paragraph 7 hereof, the Purchaser hereby acknowledging and agreeing that the Purchaser shall satisfy himself or herself as to compliance therewith. The Purchaser acknowledges that on Closing the Real Property may remain encumbered by one or more mortgages, charges, liens, debentures or trust deeds (and any related assignment of rents, transfer of charges, notices, postponements or other instruments related thereto) (the “**encumbrances**”) which the Purchaser is not to assume. The Purchaser agrees, notwithstanding the registration of such encumbrances on title as at the time of closing, to close the transaction and to accept only the Vendor's and 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 Purchaser shall not require or requisition the discharge or release of any Financing Statements registered against the Vendor pursuant to the *Personal Property Security Act* (Ontario). The Vendor's solicitors shall also deliver on Closing the appropriate direction regarding payment of funds with respect to such encumbrances. The Purchaser agrees to accept title to the Real Property and access thereto, notwithstanding that legal access may be restricted by a 0.3 metre reserve owned by the Municipality and not yet dedicated as a public highway. The provisions of this paragraph shall not merge on the Closing.

8. **GRADING AND FENCING**

(a) **Purchaser Covenant**

The Purchaser covenants that he will not remove any topsoil or subsoil or do anything which may alter the grading or change or obstruct the drainage of the Real Property or surrounding lands and shall not construct any fences, pools, patios, sheds or similar structures prior to final Municipal grading approval, without the Vendor's consent and upon default, the Developer, the Municipality or the Vendor or their respective servants, agents, successors and assigns may enter upon the Real Property and correct such grading or remove such obstruction at the Purchaser's sole expense. Any expense incurred by the Developer, the Municipality or the Vendor in this regard shall be payable by the Purchaser forthwith upon demand. Some settlement of the Land is to be expected and the Purchaser shall repair minor settlement. The Purchaser shall care for sod, shrubs and other landscaping provided as a result of the remedying of such defects.

(b) **Fences**

The Purchaser will not, prior to lot grading completion and Municipal approval therefor, install any fence, deck, storage shed or other structure on the Land. The Purchaser will not install any boundary fence except in accordance with Municipal requirements, and if the Purchaser installs a fence that runs along the boundary of any lands then owned by the Developer or Vendor, the Developer and Vendor will have no obligation to pay any portion of the fence cost. The Purchaser will maintain any fence along or adjacent to the lot boundary and will not remove, place a gate in or

otherwise alter such fence. In the event the Land borders land not owned by the Vendor and where any form of fence has been erected (and whether on the boundary line or slightly encroaching into the Land), the Purchaser agrees to accept same, without any form of compensation from the Vendor or abatement of the Purchase Price and if required, the Purchaser agrees to maintain said fence.

(c) **Retaining Walls / Drainage Easements / Slopes / Entry Features**

The Purchaser is hereby advised that the proposed lot grading may require the use of retaining walls, fences, acoustical berms and/or barriers, easements for drainage purposes, culverts, drains, catch basins and/or lot sloping, all of which shall be maintained in good condition and repaired and replaced solely at the cost and obligation of Purchaser. With respect to retaining walls, acoustical berms and/or barriers and fences, maintenance shall be done with the same materials and to the same standards and have the same colour and appearance as the original retaining wall, acoustical berm and/or barrier and/or fence. The Purchaser will not alter or remove the original material or colour of any acoustical barrier or alter the original grades within two (2) metres of any acoustical barrier unless authorized in writing by the Municipality. Purchaser agrees to allow the erection and maintenance on the Land of entry features or other structures (which may include hydro transformers and/or telecommunication, telephone or cable TV pedestals) and hereby consents to allow the erection thereof after closing and the Purchaser shall be obligated to maintain any such entry features and/or other structures unless the Municipality otherwise accepts that responsibility. The Purchaser is hereby given notice that the Land may require some or all of the aforementioned.

9. **TEMPORARY EASEMENT**

The Purchaser shall grant a temporary right-of-way over the rear ten (10) feet of the Land over the full width to all purchasers in the subdivision, their agents and workmen through, along and over the said Land for the purpose of reaching their own land or transporting materials, machinery or equipment thereto until such time as roads and streets are useable or until construction of the Subdivision is complete and the Purchaser agrees to keep such right-of-way clear of surface earth or material. This right of way shall automatically expire on the assumption of the subdivision by the Municipality.

10. **RIGHT OF ENTRY AND RE-ENTRY**

(a) The Purchaser agrees that prior to the Closing Date the Purchaser (which for the purposes of this subparagraph includes the Purchaser, any member of the Purchaser's immediate family or other relatives or friends and any of the Purchaser's or their servants, agents, workmen or employees) will not in any circumstances enter onto or into the Real Property without the express written consent of the Vendor and 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. In addition, the Purchaser agrees that the Purchaser will not under any circumstances, either personally or by any agent, servant or other representative perform, have performed or cause to be performed any work of any nature or kind whatsoever on the Real Property prior to the transfer of the Real Property to the Purchaser 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 the costs and expenses thereof plus a fifteen (15%) percent administration fee shall be paid forthwith upon demand to the Vendor.

(b) The transfer herein may contain a provision that the transfer/conveyance is subject to the rights of the Vendor, Municipality/Region and/or other service provider, their successors and assigns, in the nature of a license or easement for themselves and parties authorized by any of them to enter upon any part

of the Real Property at any time prior to the complete acceptance and assumption of the subdivision by the Municipality for the purpose of doing any work as may be required by the Vendor or in order to satisfy the requirements of the Subdivision Agreement or of any other agreement with the service providers entered into or to be entered into by the Developer or Vendor, including without limiting the generality of the foregoing, the right to: complete or adjust the grading and/or drainage of any of the Land and effect any corrective measures required; and/or relocate or remove any improvements made or installed by the Purchaser to the Dwelling or the Land which do not conform or comply with any Municipal by-laws, Subdivision Agreement or which were installed by the Purchaser without appropriate Municipal or other lawful authority approval, all without such re-entry, relocation or removal being deemed a trespass and the Vendor shall not be liable to the Purchaser in connection with any such re-entry, removal or relocation. The Purchaser agrees to indemnify and save harmless the Vendor from and against any costs, charges and expenses whatsoever which the Vendor may sustain or incur as a result of any breach by the Purchaser of the terms of this Agreement. Title to the Land shall be subject to such a reservation or a similar reservation. The Purchaser covenants that in any transfer or disposition to any subsequent party, it shall reserve unto and assign the benefit of a similar right to re-entry to the Vendor, Municipality, Region and other service providers, and parties authorized by any of them. The aforesaid covenant may be included in the Transfer/Deed to the Purchaser and shall run with the land conveyed to the Purchaser.

- (c) 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, shall be allowed to enter upon the Real Property at any time or times, on notice to the Purchaser (except in the case of an urgency, emergency or perceived emergency, in which event the Vendor need not give any form of notice) and notwithstanding that the Real Property has been transferred to the Purchaser for the purpose of or in order to make inspections or to do any work, repairs or rectification therein or thereon which may be deemed necessary by the Vendor in connection with the completion, rectification, or servicing of any installations in or on the Real Property or component thereof or any other dwelling unit or for the purpose of effecting compliance in any manner with any subdivision, development, servicing or utility or other form of Municipal agreement. The transfer to the Purchaser may reserve such a right. The provisions of this subparagraph shall not merge on the closing of this transaction or the registration of a transfer but shall survive same for a period of ten (10) years thereafter.

11. **MAINTENANCE OF SOD, DRIVEWAYS AND DAMAGE**

(a) **Maintenance of Sod**

The Purchaser shall be solely responsible for watering and general maintenance of the sod from the Closing Date or from the date that the sod is laid, whichever shall be the later, and the Vendor shall have no obligation or liability in that regard. In the event the Vendor is, for any reason, required to replace laid sod, the Vendor shall not be obligated to do so until payment has been made therefor by the Purchaser.

(b) **Driveways**

The Purchaser shall be solely responsible for any settlement of the driveway after the date of closing. The Purchaser acknowledges that it has been advised by Vendor that settlement is likely to occur after Closing. Purchaser agrees that it 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 Purchaser once and such paving, it is agreed, may occur on or

prior to closing or if after closing within two hundred and seventy (270) days of “seasonable weather” (the period from May 1 to November 15 of any given year) from the closing date, as defined by Tarion. Purchaser specifically agrees that in the event that Vendor does not have any obligation to pave the driveway, that Purchaser will pave the driveway and will not take any other steps or actions to damage, alter, move or interfere with any water box(es) located thereon. Purchaser shall be liable for all damage, loss and expense caused to the water box(es). Purchaser agrees to consult with and obtain the approval of the Vendor, Developer, or Municipal Water Department prior to commencing any work in, on or around the water box(es). On certain lots, service trenches cross the driveway and settlement may occur. Purchasers are also advised that prior to paving, they should ensure that there is no further settlement taking place.

(c) **Damages to Improvements**

From and after the Closing or any date that Purchaser occupies the Real Property, the Vendor shall not be responsible for the following: any damage to any improvements or fixtures, made or installed by the Purchaser to the Real Property or any furnishings or personal property placed, kept or stored by the Purchaser in or on the Real Property (all of which improvements, fixtures, furnishings and personal property are herein collectively in this paragraph 11(c) called the “**Purchaser Improvements**”), resulting from any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of or deficiencies in construction; any damage or delays and attendant costs caused to or by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment; any damage caused by the use of the Real Property by the Purchaser or the Purchasers family, guests and pets; any damage to the Purchaser’s Improvements and Real Property caused by natural ground settlement, or drying out or natural aging of materials; and any damage to the Purchaser’s Improvements or the Real Property caused by the leakage of water or rupture, back-ups, leakage or other malfunction of the plumbing or sanitary sewer or drainage systems. The Purchaser hereby releases the Vendor from any damage, as aforesaid.

12. **REZONING**

The Purchaser acknowledges receipt of notice from the Vendor that the Developer or Vendor or their related/associated corporation(s) may develop other lands in the vicinity of the herein Land and apply for zoning/rezoning thereof, and the Purchaser agrees on behalf of himself and the Purchaser’s heirs, executors, administrators, successors and assigns to consent to any such development zoning/rezoning application, and agrees that this paragraph may be pleaded as a bar to any objection thereto. The Purchaser covenants with the Vendor to the intent that the burden of this covenant shall run with and be binding upon the Land to be conveyed hereunder and every part thereof and to the intent that the benefit thereof shall be annexed to and run with any lands owned by the Vendor and its predecessor and successors in title within the Subdivision or other land contiguous thereto, that the Purchaser will not oppose any application for severance or minor variance or for rezoning (including all applications ancillary hereto) by the Vendor and its predecessor and successors or assigns, to permit the use of such lands retained by the Vendor, and its predecessor, successors or assigns in the Subdivision or other land contiguous thereto, for commercial, industrial, multiple family or other residential uses and that this covenant may be pleaded by the Vendor, its predecessor, successors or assigns, as an estoppel to any such opposition or in aid of an injunction restraining such opposition. The Purchaser shall obtain a similar covenant from all successors in title. Without limiting the generality of the foregoing, the Vendor or its predecessor may apply for, and the Purchaser will not oppose, any application for zoning in accordance with the present Official Plan.

13. **TITLE FROM DEVELOPER / MANNER OF TITLE**

The Purchaser acknowledges that the Vendor may have agreed to acquire registered title to the Real Property from the developer of the subdivision within which the Land is located on terms set forth in a separate agreement (the “**Purchase Agreement**”). The developer of the subdivision within which the Land is located is sometimes in this Agreement called the “**Developer**” and the subdivision within which the Land is located is sometimes in this Agreement called the “**Subdivision.**” In the event of default by the Developer in compliance with the requirements therein contained, or in the event the Vendor or Developer exercises its right, by reason of Municipal changes or requirements or adverse soil conditions affecting the Real Property, to terminate the Purchase Agreement as it relates to the Real Property or in any other event that the Purchase Agreement is not completed, and the Vendor is thereafter no longer the owner of the Real Property, this Agreement shall be deemed to be frustrated and shall be terminated and all deposit monies shall be repaid to the Purchaser in accordance with the Tarion Addendum and all parties hereto shall be released of any liability or obligation hereunder. The Purchaser agrees to deliver to the Vendor or the Vendor’s solicitors at least thirty (30) days prior to Closing (or at such earlier time if so requested by the Vendor) an irrevocable direction to the Vendor indicating and confirming the manner in which the Purchaser wishes to take title to the Real Property (which direction is merely a confirmation of the manner in which the Purchaser wishes to take title to the Real Property and shall be subject to the overriding approval of the Vendor and otherwise subject to the provisions of this Agreement) accompanied by the date of birth and social insurance number of each person taking title to the Real Property and supported by a copy of their respective birth certificate or passport, if so required by the Vendor. It is further understood and agreed that if the Purchaser fails to deliver the irrevocable direction at such time, then the Purchaser shall be deemed to have agreed to accept title to the Real Property in the name(s) that the Purchaser is identified or described in this Agreement (or in any amending agreement or addendum thereto), and thereafter the Purchaser shall not be entitled to request any further changes to the name(s) or manner in which title is to be taken. Notwithstanding anything to the contrary in this Agreement or at law, the Purchaser agrees to accept a transfer of the Real Property, as directed by the Vendor and the Purchaser agrees to provide and execute and deliver on closing, whatever indemnities, releases, assurances and other documentation that may be required by the Vendor in order to transfer title as aforesaid. If this Agreement or any amendment or permitted assignment thereof or any of the aforesaid documentation required to be delivered by the Purchaser to the Vendor is executed by a third party as attorney for and on behalf of the Purchaser, then such power of attorney must be registered in the Land Titles Office where the Real Property is registered and a duplicate registered copy thereof delivered to the Vendor’s solicitor, together with all such further documentation, authentication and opinions which the Vendor may require relating to the power of attorney, the donor and the donee, and the Purchaser shall cause its solicitor to provide any opinion required by the Vendor in connection with same. Any such power of attorney must be expressly made (and duly executed and witnessed) in accordance with the provisions of the *Substitute Decisions Act, 1992* (Ontario) and not be a power of attorney form drawn or made pursuant to the laws of any other country, state or province other than Ontario. Where documentation required to be delivered by the Purchaser to the Vendor is executed by a third party who is not a party to this Agreement, the Purchaser shall further pay to the Vendor’s solicitor the sum of Five Hundred (\$500.00) Dollars plus HST, per occurrence, to be adjusted on the statement of adjustments, as the Vendor’s solicitors legal fee for reviewing all documentation delivered that relates to the use of a power of attorney for this transaction. In the event of the death of the Purchaser, it is understood and agreed that this Agreement and any amendment or permitted assignment thereof shall constitute a continuing agreement and shall be binding on the estate of the Purchaser and the Purchaser’s heirs, estate trustee, successors, administrators and permitted assigns, who shall comply at all times with all terms of this Agreement to ensure the completion of the within transaction, and the estate of the Purchaser, or the Purchaser’s heirs, estate trustee, successors, administrators and permitted assigns shall forthwith apply for a certificate of appointment of estate trustee in the Ontario Superior Court of Justice, at the sole cost and expense of the

estate of the Purchaser. The estate of the Purchaser shall, after obtaining the certificate of appointment of estate trustee, deliver a notarial copy of the certificate of appointment of estate trustee to the Vendor's solicitor, together with all such further documentation, authentication and opinions which the Vendor may require from time to time relating to the certificate of appointment of estate trustee. Where documentation required to be delivered by the Purchaser to the Vendor is executed by an executor, executrix, trustee or estate trustee, then the estate of the Purchaser shall further pay to the Vendor's solicitor the sum of Five Hundred (\$500.00) Dollars plus HST, per occurrence, to be adjusted on the statement of adjustments, as the Vendor's solicitor's legal fee for reviewing all documentation delivered that relates to the certificate of appointment of estate trustee and the use of the certificate of appointment of estate trustee in connection with the within transaction. In the event for whatever reason the Purchaser is a corporation and same is expressly accepted by the Vendor then: (A) it is understood and agreed that the person or persons 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; (B) any officer or director of the said corporation and their immediate family shall be permitted to use and occupy the Real Property for residential purposes only, provided that on or before the Closing Date, the Purchaser delivers to the Vendor's solicitor a certificate of incumbency executed by an officer of the Purchaser certifying the identity of all officers and directors of the Purchaser, accompanied by a statutory declaration sworn by the said officer or director who intends to personally reside in the Real Property confirming the names and identity of all other individuals intending to reside therein and that they are all members of the Purchaser's immediate family; (C) the Purchaser acknowledges, confirms and agrees that the Purchaser will not be eligible for the HST Rebate; (D) the Purchaser shall deliver at its sole cost and expense: for a corporation incorporated in the Province of Ontario an up to date certificate of status issued by the Ministry of Government Services; for a corporation incorporated in any other province such document of similar force and effect to a certificate of status issued in the Province of Ontario; and for a federal corporation an up to date certificate of compliance issued by Industry Canada, and same shall be delivered forthwith upon execution of this Agreement, on the Closing Date and within five (5) days at such other times from time to time as requested in writing by the Vendor, at the Vendor's sole discretion, which certificate shall confirm that the corporation is in existence and has not been dissolved; (E) the Purchaser shall deliver at its sole cost and expense evidence satisfactory to the Vendor's solicitor that the Purchaser has complied with all corporate and contractual requirements necessary to authorize the purchase by the Purchaser of the Real Property and the closing of the transaction arising from this Agreement, including but not limited to, a corporate opinion by the Purchaser's solicitor addressed to the Vendor and the Vendor's solicitor in such form reasonably required by the Vendor's solicitor, together with all such further documentation, authentication and other opinions which the Vendor may require; (F) the person or persons signing on behalf of the corporation and the Purchaser both hereby covenant and agree that should there be any direct or indirect change of shareholders of any Purchaser that is a corporation or other direct or indirect change of control or ownership of any Purchaser that is a corporation on or before Closing without the prior written consent of the Vendor then same shall constitute a default of this Agreement; and (G) the Purchaser shall further pay to the Vendor's solicitor the sum of Five Hundred (\$500.00) Dollars plus HST on a per corporation occurrence, to be adjusted on the statement of adjustments, as its legal fee for reviewing all documentation delivered that relates to the Purchaser corporation. Nothing in this paragraph 13 shall abrogate the rights of the Vendor in this Agreement relating to HST Rebate and the payment of same.

14. **PURCHASER SELECTION, TARIION WARRANTY & OCCUPANCY**

(a) **Purchaser Selection**

The Purchaser shall attend at the Vendor's offices, or such other place designated by the Vendor, within thirty (30) days or such other time as designated by the Vendor after the Purchaser has executed this Agreement

in order to make or approve selection(s) of those items of construction or finishing which the Purchaser is entitled to select from the Vendor's samples. At such time, if requested by Vendor, the Purchaser shall also make or approve alternate selection(s) which shall be used in the event that the Purchaser's primary selection(s) or any one or more of them are unavailable or must be substituted for any reason. All Purchaser selections and approvals are final and binding on the Purchaser. Late requests by the Purchaser that are allowed by the Vendor will be subject to the Vendor's standard administration fee of Two Hundred and Fifty (\$250.00) Dollars per change, plus HST. The Purchaser hereby consents to the substitution of such alternative selection(s) in the place of such primary selection(s) of items which are or may be unavailable for use within the Vendor's construction schedule. The Vendor may substitute other materials, equipment or chattels of at least equal quality for those specified and may alter the plans and specifications of the Dwelling, provided that such substitution or alteration shall not diminish the value of the Real Property or substantially alter the Dwelling. The Purchaser will not enter the Real Property unless accompanied by a representative of the Vendor.

NOTE: If the Purchaser fails to attend and make or approve selection(s) as required above at the date and time scheduled by the Vendor and communicated to the Purchaser, the Vendor shall be entitled to make or approve such selection(s) at the Vendor's sole discretion. If none of the Purchaser's selection(s) of a particular item are available, the Purchaser will be notified in writing and is required to re-attend within seven (7) days of receipt of notice thereof and if he fails to attend within such time period, and make such selection(s), the Purchaser acknowledges that such item or items shall be selected exclusively by the Vendor and shall be of equal or better quality. The Purchaser further acknowledges, understands and agrees that, among other things, if the Purchaser is at any time in breach of any part of this Agreement, the Vendor may, in the Vendor's sole discretion, refuse to accept, undertake and/or approve any of the Purchaser's selections, upgrades or Extras.

(b) **Tarion Warranty Corporation ("Tarion") Inspection and the Homeowner Information Package**

(i) The Purchaser or the Purchaser's designate as hereinafter provided, agrees to meet the Vendor's representative at the date and time designated by the Vendor, prior to the Closing Date, to conduct a pre-delivery inspection of the Real Property and 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 Real Property and Dwelling, on the Tarion Pre-Delivery Inspection form (the "PDI Form"), in the forms prescribed and required to be completed pursuant to the Tarion regulations. The Vendor will conduct itself in accordance with Tarion Bulletin 42 in setting up a time for and conducting and completing the PDI. The PDI Form shall be executed by both the Purchaser or the Purchaser's designate and the Vendor's representative at the PDI and the PDI Form and the warranties provided under the ONHWPA shall constitute the Vendor's only agreement or warranty, express or implied, in respect of any aspect of construction on the Real Property or of the 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 sort by the Purchaser and 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 Real Property or Dwelling, in its discretion, the Vendor shall not be deemed to have waived the provision of this paragraph or otherwise enlarged its obligations hereunder.

Notwithstanding the foregoing, in the event that the COVID-19 pandemic (or other such event or pandemic) requires the Vendor to employ social distancing measures when delivering the Real Property and Dwelling to the Purchaser, the Purchaser and the Vendor agree to abide by Tarion's advisory dated April 16, 2020 with respect to the performance of the PDI, which requires the Vendor to perform the PDI in the absence of the Purchaser and then for the Purchaser to perform its own inspection of the Real Property and Dwelling immediately following the delivery of the Dwelling to the Purchaser.

- (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.
- (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. If the Purchaser is more than one individual, the execution of any of the documents referenced in this paragraph 14(b) by any one of the individuals comprising the Purchaser shall be deemed to be binding upon the remaining individuals comprising the Purchaser.
- (iv) Failure by the Purchaser and/or the Purchaser's designate to attend the PDI or failure to execute the PDI Form at the conclusion of the PDI, shall constitute a default under this Agreement of Purchase and Sale. The Purchaser hereby irrevocably appoints the Vendor the Purchaser's attorney and/or agent and/or designate to complete the PDI Form on the Purchaser's behalf and the Purchaser shall be bound as if the Purchaser or the Purchaser's designate had executed the PDI Form.
- (v) It is understood and agreed that any failure on the part of the Vendor to comply with the Tarion Addendum, including, without limitation, any failure to comply with any notice requirements thereof shall only give rise to those specific rights set out in the Tarion Addendum, if any, and shall not entitle the Purchaser 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 Tarion Addendum
- (vi) Subject to the provisions of this paragraph 14(b), the Vendor agrees to rectify any defective or incomplete construction items with respect to the Dwelling that are governed by the statutory warranties made by the Vendor pursuant to ONHWPA. Notwithstanding anything contained to the contrary in this Agreement, the Purchaser agrees that any warranties of workmanship, materials or otherwise, in respect of any aspect of construction of the Dwelling, whether express or implied, or whether imposed at law or in equity, or whether arising by statute or otherwise shall be limited and restricted to those statutory warranties made by or deemed to have been made by the Vendor pursuant to ONHWPA and shall extend only for the respective time

periods and in respect of those items stipulated or covered in ONHWPA.

(c) **Tarion Addendum**

It is understood and agreed that any failure on the part of the Vendor to comply with the Tarion Addendum including without limitation any failure to comply with any notice requirements thereof shall only give rise to those specific rights set out in the Tarion Addendum, if any, and shall not entitle the Purchaser 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 Tarion Addendum.

(d) **Occupancy / Risk**

The Purchaser acknowledges that the Vendor may not allow the Purchaser to occupy the Real Property until the occupancy requirements of the Municipality have been complied with and the Purchaser has completed and executed the PDI Form, and in the event that the Purchaser shall occupy the Real Property prior to the compliance of the aforesaid occupancy requirements, then the Purchaser shall indemnify the Vendor for any costs, charges or penalties paid or payable by the Vendor as a result of the Purchaser's occupancy as aforesaid. Notwithstanding anything to the contrary in this Agreement, the Vendor shall have the right to defer closing until the Municipality consents to occupancy. The Purchaser acknowledges that if it is the policy of the Municipality to issue occupancy permits or certificates, such permits or certificates may not be available for delivery to the Purchaser on closing and shall thereafter be available for the Purchaser to obtain on its own at its expense. Provided that the Dwelling has been inspected and permission to occupy has been granted by the Municipality or building official on or before closing, the Purchaser shall close the transaction. The Real Property shall be and remain at the risk of the Vendor until Closing. In the event of damage to the Real Property prior to the Closing Date which frustrates the contract or renders the performance thereof impossible, or for which the Vendor otherwise has the right to terminate this Agreement at law or in equity, then the Vendor may, in the Vendor's sole discretion, either: (1) terminate this Agreement and return to the Purchaser all deposits paid by the Purchaser to the Vendor in accordance with the Tarion Addendum, and upon such termination the Vendor shall be relieved of all liability pursuant to this Agreement; or (2) 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.

(e) **Construction Liens**

It is further agreed between the parties hereto that the Dwelling shall be deemed to be completed for closing at such time as the Municipality or building official consents to occupancy or grants permission to occupy, notwithstanding that there remains work to be completed and the Purchaser agrees to close the transaction on the Vendor's undertaking to complete all work. The Purchaser hereby agrees to accept the Vendor's indemnity regarding any construction lien claims which are the responsibility of the Vendor, in full satisfaction of the Purchaser's rights under the *Construction Act* (Ontario) and amendments thereto or any successor legislation and the Purchaser will not claim any lien holdback on closing nor will the Purchaser make any other requisitions or requests for information in connection with the *Construction Act* (Ontario) or amendments thereto or any successor legislation, notwithstanding that the Vendor may not have fully completed the Dwelling.

(f) Tarion Warranty Agreement

- (i) The Purchaser's only recourse against the Vendor for a final and binding resolution of any outstanding, incomplete or deficient items and any other matters relating to the Subdivision, the Real Property and/or the Dwelling shall be through the process established and administered by Tarion Warranty Corporation ("TWC"), the "Corporation" as defined in the ONHWP and the Regulations thereto.
- (ii) The Purchaser and the Vendor hereby appoint and constitute TWC as the sole and final arbiter of the matters set out in Subsection 14(f)(i) above.
- (iii) The Purchaser agrees to indemnify and save the Vendor harmless from all actions, causes of action, claims and demands for damages or loss which are brought by the Purchaser in contravention of the parties' agreement to appoint TWC as arbiter and of the Purchaser's rights and obligations set out in this Subsection 14(f).

If any provision of this this Subsection 14(f) is deemed void or voidable or unenforceable for any reason by a court of competent jurisdiction, the Vendor and the Purchaser agree to appoint an arbitrator in accordance with Section 36 to resolve any disputed matter that is intended to be decided by Tarion pursuant to this this Subsection 14(f).

15. AGREEMENT NOT ASSIGNABLE

The Purchaser shall in no way, directly or indirectly, whether by the Purchaser or by any other person, firm, corporation or other entity, lease, sublease, offer to lease, advertise for lease, list for sale, advertise for sale, assign, convey, sell, transfer or otherwise dispose of or part with possession of, on a temporary or permanent basis, the Real Property, in whole or in part, or any interest the Purchaser may have in the Real Property, in whole or in part, 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.

16. SUBORDINATION AND POSTPONEMENT

The Purchaser acknowledges that the Vendor is or may be borrowing money from a financial institution or other lender to be secured by one or more charges to be registered against the Real Property and agrees that this Agreement, any interest of the Purchaser in this Agreement and in the Real Property (whether such interests are in equity or at law) and any and all Deposits paid or to be paid by the Purchaser pursuant to this Agreement and any purchasers' lien arising by the terms of this Agreement or from the payment of any deposit 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 Real Property or any part or parts thereof including the charging of any chattels in the Real Property and any advances thereunder made from time to time, and to any easement, license or other agreements to provide services to the Real Property 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. The Purchaser acknowledges that notwithstanding any rule of law to the contrary, that by executing this Agreement, the Purchaser has not acquired any equitable or legal interest in the Real Property.

17. SURVEY

Vendor agrees to provide the Purchaser at least five (5) days prior to Closing, with a plan of survey prepared by an Ontario Land Surveyor, showing the size and

location of the lot and the location of the foundation to be erected thereon in relation to the various lot boundaries.

18. **DWELLING TYPE AND SQUARE FOOTAGE**

(a) **Modifications / Alterations**

In the event the dwelling type described in this Agreement, or in any model, drawing, illustration or rendering of the Dwelling or as represented to the Purchaser for whatever reason is sited on the Real Property by reversing the architectural layout of the Dwelling, in the discretion of the Vendor, the Purchaser agrees to accept such reversed dwelling type. The Purchaser also accepts minor modifications which may be required with respect to the Real Property, including walkouts, narrowed driveway entrances, decks and side porches. If the Land is a lot on a plan of subdivision which has not yet been registered, lot sizes or dimensions are also subject to change without notice provided they are not substantially varied. Where the lot size or dimensions are varied by up to and including five (5%) percent from those specified in this Agreement or in any sales brochure, sketch, floor plan, or other marketing or advertising material or any or all of the foregoing, such variation shall be deemed not to be substantial and the Purchaser agrees to accept all such variations without notice and without any claim for compensation or abatement to the Purchase Price. The internal square footage of the Dwelling may also vary depending on the type of model elevation that the Purchaser chooses and the Purchaser shall make no claim with respect to same. Purchasers are advised and acknowledge that: (i) laundry rooms may be sunken if required by Vendor in order to accommodate lot grading and side doors; (ii) doors from the garage to the interior or side yard may not be possible due to grading restraints; (iii) decks may be required at the rear or side of the Dwelling to accommodate grading; and (iv) the Vendor makes no representation or warranty to the Purchaser as to the dimensions of the garage or as to the number, size or type of automobile or other vehicle that may be parked or placed in the garage. The Purchaser acknowledges and agrees that where adjoining rooms are finished in different floor materials, there may be a difference in elevation between the rooms and the Vendor may in the Vendor's sole discretion install a threshold as a method of finishing the connection between the two (2) rooms.

(b) **Shading Etc.**

The Purchaser acknowledges and agrees that insofar as the wood finishes, carpeting, hardwood/laminate flooring, tiles (including any stone, marble or granite slabs used for flooring, walls, or counter purposes), kitchen and bathroom cabinetry and/or manufactured finishing materials installed within the Dwelling are concerned:

- (i) the colour, texture and/or shading of any laminate/wood finishes, carpet, tiles, kitchen and bathroom cabinetry or other manufactured finishing materials may vary slightly from those selected by the Purchaser from the Vendor's samples due to minor variations or shading in dye-lots produced or manufactured by the suppliers;
- (ii) the colour, finish, grain and/or veining of wood products (including laminate/hardwood flooring) and/or natural stone materials may vary slightly from that of laminate/wood and/or stone materials selected by the Purchaser from the Vendor's samples, inasmuch as wood and stone are natural materials which inherently cannot be precisely replicated or matched with other pieces or samples, thereby accounting for variations of colour, finish, grain and/or veining even within the same lot or section of wood or stone (as the case may be); and

- (iii) the various types of flooring that may be installed within the Dwelling (such as carpeting, marble, granite, ceramic tile, laminate and/or hardwood floors) may result in different floor heights or levels (which shall be established by the Vendor in its sole discretion) between rooms or areas within the Dwelling having different flooring materials and in this regard the Vendor shall be entitled to use or install appropriate reducers in the transitional areas between rooms having different materials;

and the Purchaser shall accordingly be estopped from claiming any entitlement to an abatement in the Purchase Price for the Real Property, or any replacement (in whole or in part) of the carpet, laminate/hardwood flooring, tiles, kitchen cabinetry, manufactured finishing materials or wood products or flooring so installed, or any other relief or claim for compensation from or against the Vendor or Tarion as a result of the variations hereinbefore described or contemplated.

(c) **Floor Area**

The Purchaser acknowledges and agrees that the floor area or square footage of the Dwelling is determined by the Vendor's surveyor or architect and is calculated in accordance with the ONHWPA and regulations and bulletins (specifically Tarion Bulletin 22) thereunder. It is acknowledged and agreed by the Purchaser that the dimensions, floor area or square footage of the Dwelling, as represented to the Purchaser in any sales brochure, sketch, floor plan, or other marketing or advertising material is approximate, is not the same and may differ from the actual size and defined boundaries of the Dwelling, and the Purchaser consents to same. The Purchaser is further advised that the actual usable and liveable floor space may vary from any stated floor area. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the 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 Dwelling or the actual usable or liveable space within the confines of the Dwelling or the net floor area of the Dwelling, or otherwise, regardless of the extent of any variance or discrepancy in or with respect to the area of the Dwelling or dimensions thereof. Notwithstanding any stated ceiling height (whether in any schedule to this Agreement or in any brochure, sketch, floor plan or other advertising material), where ceiling bulk heads are installed within the Dwelling and/or where drop ceilings are required, then the ceiling height of the Dwelling will necessarily be less than that stated in any brochure, sketch, floor plan or other advertising material and the Purchaser shall be obliged to accept the same without any claim for compensation or abatement to the Purchase Price.

19. **EXTENSIONS AND PURCHASER'S DOCUMENTS TO BE DELIVERED ON CLOSING**

(a) **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, as defined in the Tarion Addendum.

(b) **Documentation**

Notwithstanding anything contained to the contrary in this agreement, the Purchaser agrees to forthwith execute and deliver to the Vendor on or before Closing or at such other time as advised by the Vendor original executed copies of all documents as may be required by the Vendor in order to close this transaction including but not limited to (i) the execution of the transfer by the Purchaser; (ii) the execution and delivery of the Vendor's standard form of Purchaser's Acknowledgement and Undertaking as may be required

by the Vendor; (iii) any form of written acknowledgement by the Purchaser relating to lot grading and other subdivision matters; and (iv) all documentation and applications relating to the HST and HST Rebate. The Vendor and Purchaser agree that this Agreement may be executed electronically in accordance with the terms of the *Electronic Commerce Act, 2000* (Ontario) and the Purchaser agrees to be fully bound by the terms of the *Electronic Commerce Act, 2000* (Ontario). The Purchaser further agrees to accept, for closing purposes, photocopies or electronic copies 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 they were original executed documents. Such signatures may be photostat copies or electronic copies. The Purchaser hereby covenants and agrees that all documents signed by or on behalf of the Purchaser shall be signed by hand and not signed by any electronic means unless agreed to by the Vendor. All Purchaser documents shall be forthwith delivered to the Vendor together with all such further documentation, authentication and opinions which the Vendor may require relating to the execution of the documents (unless otherwise directed in writing at the Vendor's sole discretion) and the Purchaser shall cause its solicitor to provide any opinion required by the Vendor in connection with same.

(c) **Co-operation**

Purchaser covenants and agrees for itself, (and agrees to obtain a similar covenant from all subsequent purchasers and assign the benefit thereof to the Vendor) that it will co-operate, comply with and execute any documents required to ensure that all covenants and agreements that are unfulfilled or are incapable of fulfilment at the time of a conveyance or subsequent conveyance will be fulfilled and complied with as soon as it becomes possible to fulfill and comply therewith.

(d) **Subdivision Warnings**

The Purchaser acknowledges that it is anticipated by the Vendor that in connection with the Vendor's application to the appropriate governmental authorities for draft plan of subdivision or other 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.

20. **TENDER OF DOCUMENTS**

(a) **Tender**

The Vendor and the Purchaser waive any requirement for personal tender and agree that tender of any documents or money may be made upon the solicitor acting for the Vendor or Purchaser. Any tender by the Vendor or the Vendor's solicitor upon the Purchaser or the solicitor acting for the Purchaser may be made at the Vendor's sole discretion by any one or more of e-mail or facsimile transmission or the uploading of all closing documents to any closing management service then being operated and in which the Vendor is registered and shall be deemed to have been sent and received on the date and time of the e-mail and/or facsimile transmission or the date and time of the upload of the closing documents to the closing

management service. If the Purchaser fails to provide the Vendor or the Vendor's solicitor with contact information for the Purchaser's solicitor, the Vendor or the Vendor's solicitor may also (but is not obliged to) tender upon the Purchaser at the Vendor's sole discretion by registered mail (if such tender is made by registered mail it is deemed to have been sent to and received by the Purchaser prior to 5:00 pm on the Business Day following the date the registered mail was sent), e-mail or other electronic means or in person at the address of service indicated for the Purchaser in this Agreement. In the event that the Purchaser or the Purchaser's solicitor indicates or expresses to the Vendor or its solicitor, on or before the Closing Date, that the Purchaser is unable or unwilling to complete the sale, the Vendor, at its option, will be relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's solicitor. Notwithstanding anything contained to the contrary in this Agreement, as the System is operative and mandatory for the Lands, 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, if applicable; (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 that can be performed or undertaken by the Vendor's solicitor without the co-operation or participation of the Purchaser or 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. The Vendor is hereby allowed a one (1) 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 Occupancy Date or Delayed Closing Date, as the case may be. Delayed occupancy compensation will not be payable for such period and the Vendor agrees that it will not impose any penalty or interest charge on the Purchaser with respect to such extension. Notwithstanding anything to the contrary in this Agreement or otherwise at law, the Vendor shall be permitted to tender at any time up to and including 11:59 p.m. on the Closing Date as same may be extended by the parties or as may be permitted by this Agreement and this provision shall supersede any Registration Agreement that may hereinafter be entered into by the parties or their solicitors.

Without limiting the generality of the foregoing, if the Purchaser is in breach of this Agreement, the Vendor, if it chooses to make any formal tender upon the Purchaser, shall be relieved from the obligation to make a perfect tender and the Purchaser hereby agrees that it is estopped from raising a defence that the Vendor had failed to duly tender upon the Purchaser.

(b) **Electronic Registration System**

As an electronic registration system (the "**System**") under Part III of the *Land Registration Reform Act* (Ontario), as amended, 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 its 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 due on closing in accordance with the Vendor's statement of adjustments is in the possession of the Vendor's solicitors (either by personal delivery or electronic funds transfer in accordance with this Agreement) by 5:00 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, as it has in the past, but will be governed by the Registration Agreement. Notwithstanding the provisions of any Registration Agreement entered into by the Vendor's solicitor and the Purchaser's solicitor, the Purchaser acknowledges and agrees that the Vendor shall be permitted to electronically release the transfer/deed of land for registration at any time on the Closing Date.

(c) **Registration Agreement**

As the System is operative, it will therefore be necessary for the Purchaser and the Purchaser agrees: (i) to use a lawyer authorized to use the System, who is in good standing with the Law Society of Ontario and who is recognized by the Law Society of Ontario to have the required insurance to provide real estate services to the public and the Purchaser is to provide in writing to the Vendor the contact particulars for such lawyer at least twenty-one (21) days prior to the Closing Date; (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 (iii) that if the Purchaser's lawyer is unwilling or unable to complete this transaction under the System, then the Purchaser's lawyer 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 such case to pay to the Vendor's solicitor such reasonable fee as required.

(d) **Payment**

Payment of monies must be made or tendered by certified cheque from a solicitor's trust account drawn on a Canadian chartered bank. Where any such money is paid by a direct deposit, the Purchaser shall cause its solicitor to deliver a copy of the certified cheque to the Vendor's solicitor. The Purchaser: (i) hereby indemnifies and saves harmless the Vendor and its solicitor with respect to any losses, costs, expenses or damages whatsoever, suffered or incurred, directly or indirectly, by the Vendor or its solicitors, as a result of any purchase monies (including all monies required to be paid pursuant to this Agreement, no matter how characterized) not being paid to the Vendor or its solicitors for any reason whatsoever; and (ii) shall cause its solicitors to indemnify and save harmless the Vendor and its solicitors with respect to any losses, costs, expenses or damages whatsoever, suffered or incurred, directly or indirectly, by the Vendor or its solicitors, as a result of any purchase monies (including all monies required to be paid pursuant to this Agreement, no matter how characterized) which were directed to be paid, direct deposited or transferred by the Purchaser's solicitors to the Vendor, its solicitors or as they otherwise directed, not being credited to the bank account to which they were directed to be paid, direct deposited or transferred and, at the request of the Vendor or its solicitor, the Purchaser shall cause its solicitor to deliver an executed indemnity in form and content as required by the Vendor's solicitor. Notwithstanding the foregoing, if so directed by the Vendor's solicitor, the Purchaser shall cause the Purchaser's solicitors to pay the balance of the Purchase Price by the use of a bank wire transfer through the LVTS. Furthermore, if directed by the Vendor or its solicitor, the Purchaser, at no cost to the Vendor, shall cause the Purchaser's lawyer to register in and use any closing management service then being operated and in which the Vendor is registered. The Purchaser covenants and agrees to complete the within transaction and make full payment on Closing without any holdback, abatement, set-off or any similar type of reduction of any part of the Purchase Price.

21. **NON-MERGER**

The Vendor and Purchaser covenant and agree that all covenants, terms and

agreements made by the Vendor and Purchaser herein shall not merge on the closing of this transaction but shall survive same. No further written assurances evidencing or confirming the non-merger of the covenants, warranties and obligations shall be required to give effect to the foregoing, provided however that the Vendor shall be entitled to require the production and delivery from the Purchaser of an executed non-merger agreement, in respect to the foregoing (in a form acceptable to the Vendor). To the extent that any of the covenants, terms, agreements, warranties and obligations of the Purchaser in this Agreement are subject to such basic limitation period as set out in the *Limitations Act, 2002* (Ontario), then the Vendor and Purchaser agree that same is hereby extended by mutual agreement of the Purchaser and the Vendor to the ultimate last day so permitted pursuant to the *Limitations Act, 2002* (Ontario). This Agreement shall be deemed to be a “business agreement” pursuant to the terms of Section 22 of the *Limitations Act, 2002* (Ontario).

22. LIMITATION

- (a) The Purchaser covenants and agrees that the rights, remedies and recourses of the Purchaser in connection with this Agreement and the transaction resulting therefrom (and whether arising, based or founded, in contract, tort, equity or otherwise) are strictly limited to the Vendor (as defined herein), notwithstanding that the Vendor may be, or be deemed to be by law, acting as an agent, nominee, trustee or otherwise on behalf of some other person, firm, corporation, partnership, limited partnership or other entity and the Purchaser hereby agrees that with respect to this Agreement and the transaction resulting therefrom it shall not have any rights, remedies or recourses and shall not assert or make any claim against such other person, firm, corporation, partnership, limited partnership or other entity or against any officer, director, shareholder or employee of the Vendor, whether such claim arises, is based or founded at law or otherwise and this covenant and agreement may be pleaded as an estoppel and bar in any action, suit, application, claim or proceeding, brought by or on behalf of the Purchaser or any other party asserting such rights, claims or causes of action against the parties. This Agreement is deemed to have been entered into under the corporate seal of the Vendor. The Vendor makes no representation or warranty whatsoever, either directly or indirectly as to the ownership or shareholders of the Vendor and the Vendor reserves the right to change its ownership structure in whole or in part, at any time or times, without the requirement of any form of notice to or consent from the Purchaser.
- (b) Notwithstanding anything contained to the contrary in this Agreement, where the Agreement is terminated by the Purchaser pursuant to a right of the Purchaser (other than as a result of a breach of contract by the Purchaser) contained in the Tarion Addendum, then the only remedy of the Purchaser is to receive a refund of all monies paid by the Purchaser, including deposits and monies for upgrades and extras as provided for in the Tarion Addendum, including payment of delayed closing compensation as set out in the Tarion Addendum and the Purchaser shall have no other remedy against the Vendor for economic loss, expectation damages or any other damages whatsoever, whether arising or founded in contract, tort, equity or otherwise. This provision may be pleaded by the Vendor as a complete defence to any such claim.

23. DEVELOPMENT CHARGES

It is understood and agreed that notwithstanding anything to the contrary, the Vendor agrees to indemnify and save harmless the Purchaser from and with respect to the payment of any development charges and education development charges (collectively the “**Development Charges**”) imposed pursuant to the *Development Charges Act* (Ontario) which Development Charges may be due and owing on or before the Closing and which relate solely to the Purchaser's purchase of the Dwelling pursuant to the terms of this Agreement. Provided that any reduction or rebate of any such Development Charges (the “**Development Charge Rebate**”) shall be the property of the Vendor and the Purchaser hereby assigns all of the

Purchaser's right, title and interest (if any) in and to the Development Charge Rebate to the Vendor and the Purchaser hereby irrevocably authorizes and directs the payment of such Development Charge Rebate to the Vendor and the Purchaser further agrees to execute all forms, applications or documents to facilitate the payment of such Development Charge Rebate to the Vendor and the Purchaser agrees to obtain a similar covenant in any agreement entered into between the Purchaser and any subsequent purchaser. The provisions of this paragraph shall not merge on the closing of this transaction but shall survive same.

24. **ITEMS INCLUDED IN PURCHASE PRICE**

- (a) The items listed in Schedule "A" are included in the Purchase Price. The Purchaser acknowledges that only the items set out in Schedule "A" are included in the Purchase Price and that any other improvement made to or fixture or chattel installed or placed in the show home and/or sales presentation centre, including without limitation all office furnishings, woodwork, trim (including mouldings), décor options and upgrades, artist's renderings, scale models, improvements, mirrors, drapes, floor coverings, tracks and wall coverings are for display purposes only and are not included in the Purchase Price unless specified in Schedule "A".
- (b) The Purchaser acknowledges and agrees that any sales or disclosure documentation, marketing materials, scale models, videos, simulations, site drawings and renderings or any website or other similar type of advertisement, literature or publication (collectively, the "**Marketing Material**") which the Purchaser may have reviewed or seen prior to the execution of this Agreement, including but not limited to those that display, disclose or suggest existing and/or proposed uses of the lands adjacent to and/or in proximity to the Real Property, or any roads adjacent to or in the vicinity of the Real Property, remains conceptual and that final Dwelling plans are subject to the final review and approval of any applicable governmental authority, the Vendor and the Vendor's design consultants and engineers, and accordingly such Marketing Material has been inserted solely for artistic and conceptual purposes and they are not intended to be relied upon by the Purchaser as a representation of the Vendor and does not form part of this Agreement or the Vendor's obligations hereunder. The Purchaser expressly confirms and agrees that: (a) the Purchaser has not relied on the depiction or disclosure of the adjacent lands (whether existing or proposed) or lands in proximity to the Real Property in entering into this Agreement; and (b) understands that the adjacent lands and/or land in proximity to the Real Property may be used or developed for any uses whatsoever in compliance with municipal zoning by-laws as enacted or amended from time to time, with the effect that the Vendor shall not have any liability, obligation or responsibility in respect to any such uses, whether present or future. This section 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.

25. **BINDING OFFER, REPRESENTATIONS AND CONFIRMATION**

This Offer, when accepted, shall constitute a binding contract of purchase and sale and time shall in all respects be of the essence hereof and no extension of time granted by the Vendor for any payment by the Purchaser or rectification of any breach by the Purchaser of any agreement, stipulations, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor. If the Closing Date is changed by the parties or their solicitors or otherwise pursuant to this Agreement, including the Tarion Addendum, or by any amendment, then each and every change shall be deemed to provide that time is of the essence as set out in this paragraph. **IT IS AGREED THAT THERE IS NO REPRESENTATION, WARRANTY, COLLATERAL AGREEMENT OR CONDITION AFFECTING THIS AGREEMENT OR THE REAL PROPERTY OR SUPPORTED HEREBY OTHER THAN AS EXPRESSED HEREIN IN WRITING AND THE PURCHASER HAS NOT RELIED UPON**

ANY VERBAL OR IMPLIED REPRESENTATIONS OR PROMISES, WHETHER MADE BY THE VENDOR OR ANY AGENT OF THE VENDOR. THERE ARE NO OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THOSE RELATED TO THE PURCHASER'S SUBJECTIVE EXPECTATIONS OF PERFORMANCE OR QUALITY NOT EXPRESSLY STATED IN THE CONTRACT. THE PURCHASER(S) HEREBY WAIVE ANY RIGHT OR CLAIM AS AGAINST THE VENDOR ARISING FROM ANY REPRESENTATIONS, WARRANTIES OR COLLATERAL AGREEMENTS THAT ARE NOT IN WRITING AND NOT CONTAINED IN THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, NEGLIGENT MISREPRESENTATIONS.

26. **RESIDENCY**

The Vendor hereby represents that it is not a non-resident as defined by Section 116 of the *Income Tax Act*.

27. **CHANGES IN GENDER**

This offer to be read with all changes of gender or number required by the context. No provision of this Agreement shall be construed against any party by reason of such party having or being deemed to have drafted the provision. The Purchaser shall execute and deliver on the Closing Date, as required by the Vendor, 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. 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. The Purchaser covenants and agrees to forthwith deliver or to cause the Purchaser's solicitor to forthwith deliver to the Vendor a copy of the receipted registered Transfer for the within transaction.

28. **AMENDMENTS TO AGREEMENT**

This Agreement may be amended by a written instrument signed by all parties, or may be amended by an agreement in writing signed by their respective solicitors, who are expressly appointed in this regard.

29. **SEVERABLE COVENANTS**

If any provision of this Agreement or the application to any circumstances shall be held to be invalid or unenforceable, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

30. **SUCCESSORS AND ASSIGNS**

This Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns. The Vendor may, without notice to the Purchaser and without the consent of the Purchaser, at any time assign all of its right, title, interest and obligation under this Agreement. In the event of the assignment by the Vendor of this Agreement and to the extent that the assignee thereof assumes the covenants and obligations of the Vendor hereunder, the Vendor shall thereupon and without further agreement, be freed and relieved of all liability with respect to this Agreement. This Agreement is personal to the Purchaser and does not create an interest in land in favour of the Purchaser or the Purchaser's permitted assigns or successors, until and unless the Purchaser has received and registered a transfer of the Real Property from the Vendor.

31. **NOTICE / DOCUMENTS**

Any notice or any document not intended for registration on title to the Land required to be given pursuant to this Agreement to the Purchaser may either be delivered personally or be sent by prepaid mail, or by facsimile, addressed to the Purchaser's solicitor or the Purchaser at the Purchaser's or her last known address, or facsimile number, as the case may be, or by e-mail addressed to the Purchaser or the Purchaser's solicitor, at the Purchaser's last known e-mail address or by an internet document retrieval system such as convey.ca or any other electronic means, all as the case may be and in the case of the Vendor any notice required to be given pursuant to this Agreement may either be delivered personally or be sent by prepaid mail, or facsimile, to the Vendor's solicitor or to the Vendor at the address or facsimile number, as the case may be, set out on page 2 of the Tarion Addendum. Where documents are sent by the Vendor by facsimile transmission, a facsimile signature and where documents are sent by the Vendor by e-mail or internet document retrieval system such as convey.ca, an electronic signature shall both be valid and binding on the Vendor and the Purchaser and the Purchaser agrees to accept the said documents in lieu of originals. If such notice is mailed it shall be deemed to have been received by the party to whom it is addressed on the third Business Day following the date of its mailing, or if such notice or documents are sent by personal delivery or facsimile transmission or e-mail or internet document retrieval system such as convey.ca they shall be deemed to have been received by the party to whom they are addressed on the same Business Day as delivered or sent by facsimile transmission or e-mail or by an internet document retrieval system such as convey.ca. In the event of a mail stoppage or interruption, all notices and documents shall be delivered or otherwise may be sent by facsimile transmission or e-mail or internet document retrieval system such as convey.ca, as hereinbefore set out. Except as may otherwise be specifically set forth in this Agreement, any document to be delivered by the Purchaser to the Vendor or any action to be taken by the Purchaser shall be done so within five (5) days of written request by the Vendor to the Purchaser. The Purchaser consents to the use, provision and acceptance of information and documents in an electronic format. Notwithstanding the foregoing, written notices required under the Tarion Addendum shall be given and received in accordance with the Tarion Addendum.

32. **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.

33. **FACSIMILE/PDF EXECUTION**

This Agreement may be executed by one or more of the parties by facsimile transmission or by electronic transmission in portable document format (PDF) signature and all parties agree that the reproduction of signatures by way of facsimile device or by electronic transmission in PDF will be treated as though such reproductions were executed originals.

34. **CONSUMER REPORT/FINANCIAL RESOURCES**

- (a) The Purchaser is hereby notified by the Vendor that a consumer report containing credit and/or personal information may be applied for, obtained or referred to in connection with this transaction, any financing relating to this transaction and the Purchaser's ability to close this transaction on an "all cash basis" and the Purchaser hereby consents to same. The Purchaser agrees to provide the Vendor with all requisite information and materials, including proof respecting residency, income and source of funds, at any time or times within five (5) days of request by the Vendor. The Purchaser shall be required to deliver to the Vendor, within seven (7) days of acceptance of this Agreement, a mortgage commitment or agreement from a trust company, bank or other financial institution satisfactory to the Vendor, which evidences the Purchaser's approval for a loan in such

amount as to enable the Purchaser to close this transaction on an "all cash" basis.

- (b) In the event that the Purchaser fails to submit the information, evidence and/or documentation contemplated in paragraph 34(a) above within the time period stipulated therein and as often as same is required, or if so provided, same is in whole or in part, false or misleading, or if the Purchaser fails to disclose any relevant facts pertaining to the Purchaser's mortgage approval and/or the Purchaser's financial circumstances or abilities, then the Purchaser shall be deemed to be in default under this Agreement and the Vendor shall have its rights contained in this Agreement.

35. **FINTRAC**

The Purchaser agrees to provide to the Vendor all required personal information and documentation pertaining to each individual or company comprising the Purchaser needed to enable the Vendor, or its agent, to fully comply with the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* S.C. 2000, as amended ("FINTRAC"), forthwith upon the Vendor's request, including without limitation, the name, current home address, date of birth and the principal business or occupation of each individual or company comprising the Purchaser, along with a copy of a validly issued birth certificate or an unexpired driver's license, passport, or government issued record of landing or permanent resident card (together with a copy of government issued photo ID 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 company to this Agreement for each company comprising the Purchaser. It is further understood and agreed that if any deposit monies are provided to the Vendor, or to the Vendor's solicitors 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 the 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 this Agreement.

36. **ARBITRATION**

Subject to Subsection 14(f), in the event of any dispute arising between the Vendor and the Purchaser as to the meaning or intent of this Agreement or as to any matter arising out of this Agreement, including but not limited to any dispute relating to the ownership of the deposits referred to in Section 2 of the Cover Page to this Agreement, then either of the Vendor or the Purchaser may give to the other notice of such dispute and to request arbitration by a single arbitrator if a single arbitrator can be mutually agreed upon by the Vendor and the Purchaser within fifteen (15) days of such notice. If the Vendor and the Purchaser cannot agree on a single arbitrator within the fifteen (15) day period then one person shall be selected by the party giving notice of the dispute and one person shall be selected by the other to act as arbitrator and the two persons so appointed as arbitrators shall select a third arbitrator. Except as hereinbefore provided, the provisions of the *Arbitration Act* shall apply. The decision of the arbitrator or the arbitrators, as the case may be, shall be final and binding on the Vendor and the Purchaser. The costs of the arbitration shall be borne by the losing party, as determined by the arbitrator(s).

37. **WITHHOLDING TAX**

If the Purchaser is not a resident of Canada for the purposes of the Income Tax Act, the Vendor shall withhold and remit to the Canada Revenue Agency the appropriate

amount of any interest payable to the Purchaser on account of the deposits paid hereunder, in accordance with the Income Tax Act.

38. **RECOURSE TO VENDOR**

The Purchaser acknowledges and agrees that it shall have no claim or cause of action as a result of any matter or thing relating to the Subdivision, the Real Property and/or the Dwelling against any person or legal entity other than the entity named as the Vendor, notwithstanding that the Vendor may be a nominee or agent of another person, firm, corporation or other legal entity. This acknowledgment and agreement may be pleaded as an estoppel and bar in any action or proceeding brought by the Purchaser to assert any rights, claims or causes or action against any person or legal entity other than the entity named as the Vendor.

39. **NO NAME OR TITLE CHANGE BY DIRECTION**

Notwithstanding anything contained to the contrary in this Agreement, the Vendor will not accept any name or title changes by a direction re title. The consent of the Vendor must be obtained to all such name/title changes, which consent may be arbitrarily withheld. Where the Vendor so consents, an amendment or assignment in the Vendor's form must be executed by all appropriate parties. The Purchaser shall also advise the Vendor of any changes in any of the Purchaser's mailing address, telephone number or electronic mail (i.e. e-mail) address or of the Purchaser's solicitor forthwith upon such change

40. **NO REGISTRATION**

Whether or not this Agreement has been terminated by Vendor or Purchaser, Purchaser shall not register this Agreement on title to the Property and/or the Lands or any notice thereof, or register any caution or certificate of pending litigation with respect thereto, or register any other similar court process, and Purchaser acknowledges and agrees that in no event shall Purchaser be deemed or construed to have any personal or proprietary interest whatsoever in the Property (or in any portion of the Lands) prior to Closing, and that Purchaser shall not be entitled to demand or pursue a claim for specific performance of this Agreement. Any registration, demand or claim by Purchaser in contravention of this Paragraph shall constitute a fundamental breach of this Agreement by Purchaser. If Purchaser makes any such registration, Purchaser hereby irrevocably constitutes and appoints Vendor to be and act as Purchaser's lawful attorney to execute any such documents, consents and assurances in Purchaser's name, place and stead in accordance with the provisions of the *Powers of Attorney Act*. The Purchaser's covenants and agreements herein shall not merge on Closing or the termination of this Agreement, and shall remain in full force and effect

41. **LIQUIDATED DAMAGES**

If Vendor terminates this Agreement and if such termination is not in accordance with the permitted Early Termination Conditions set out in the Appendix to the Tarion Addendum, the Vendor agrees to pay and the Purchaser agrees to accept One Thousand Dollars (\$1,000). Such payment, which is a genuine pre-estimate of the damages which Purchaser will suffer or incur as a result of said termination of this Agreement, is liquidated damages and not a penalty. The Purchaser irrevocably waives any right to raise as a defence that any such liquidated damages are insufficient.

42. **GUARANTOR LIABLE**

If the Agreement is in the name of a corporation and a guarantor is noted on the Title Page, the guarantor is liable in connection with the Agreement as if he or she were the Purchaser.

SCHEDULE "D"
PURCHASER'S ACKNOWLEDGEMENTS & NOTICES

Except where otherwise specifically restricted to named lots, the terms of this Agreement apply to all of the lands described herein, all of which lands are sometimes referred to in this Schedule as the "Subdivision Lands".

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

1. **RETAINING WALLS**

Purchasers are advised that where retaining walls are shown on the lot grading plan attached as Schedule "K" to the Subdivision Agreement for this plan or on the individual lot grading plan(s) filed pursuant to Section A.22 of the Subdivision Agreement, it is the requirement of the town that such retaining walls be constructed on private property and that they be maintained by the individual owners of the lot(s). Further, purchasers are advised that the individual lot grading plan(s) filed pursuant to the said Section A.22 may result in a change to the grading plan and features shown on Schedule "K" of the Subdivision Agreement. Purchasers should contact the town engineering department to review the approved individual lot grading plan(s).

2. **GRADING DETAILS**

Purchasers are advised that the town has reserved the right to amend the provisions and details shown on Schedule "K" to the Subdivision Agreement for this plan by either an amendment to the Subdivision Agreement (which may or may not be registered on title) or by the approval of (or amendment of) the individual lot grading plan(s) filed pursuant to Section A.22 of the subdivision agreement. Purchasers are further advised that such amendments may result in alterations to any features shown on Schedule "K" or the addition of features not shown on Schedule "K", including but not limited to retaining walls. Purchasers are advised to consult with the construction section of the town's transportation and works department to ascertain the details of the approved grading for any individual lot and are cautioned not to rely solely upon the provisions and details shown on Schedule "K".

3. **COMMUNITY MAILBOXES**

Notwithstanding current objections of the Town of Richmond Hill to this policy, it is likely that there will be no door-to-door mail delivery. Purchasers are advised that Canada Post Corporation intends to service this property through the use of community mailboxes or group boxes and does not intend to implement door-to-door mail delivery to it in the future.

4. **PUBLIC TRANSIT SYSTEM**

The Region of York and the Town of Richmond Hill are committed to providing an extensive public transit system within the town.

Public transit is a service under the jurisdiction of the region. It is possible that a public transit route will be established through this subdivision or part of it in the future. The region reserves the right to promote the introduction a bus route on any street in order to reach the goal of providing an extensive transit system. This will include bus-stops and bus shelters.

For information on existing transit services as well as possible future transit services, purchasers should contact York Region Transit at 905-762-2100 or 1-866-668-3978 for YRT route maps, future plan maps or they may visit the region's transit web site at transitinfo@york.ca.

5. **PLACEMENT OF OBJECTS WITHIN PUBLIC HIGHWAYS**

Purchasers are advised that they are not permitted to place, or permit to be placed, any fence, tree, shrub, bush, hedge, landscape berm, signboard or other object within a public highway or within the lands laid out on the plan for a public highway, whether or not such lands actually contain a paved portion of a public highway. Without limiting the generality of the foregoing, purchasers are advised that no driveway curb or pillar may be placed within a public highway or within the lands laid out on the plan for a public highway, whether or not such lands actually contain a paved portion of a public highway and no driveway placed within such lands shall be constructed or altered so as to interfere with the operation of any municipal service, such as snow removal equipment.

6. **RIGHT OF ENTRY**

The purchasers are hereby advised that Section A.22 of the subdivision agreement provides that the town shall have the right to enter upon the lands in order to carry out lot grading in accordance with that section.

7. **LOT GRADING SECURITY**

Purchasers are advised that the lot grading security delivered to the town pursuant to the subdivision agreement is assurance for the sole benefit of the town that the developer will comply with the requirements for lot grading to the satisfaction of the town. It is in the nature of a direct relationship between the town and the financial institution issuing the security and may be realized upon by the town only in accordance with and for the purposes set out in the subdivision agreement. If the purchaser pays the developer or any other party any amount to secure or reimburse the developer or any such other party for the lot grading security the recovery of that security from the developer (or other third party) is a private matter between the purchaser and the payee. The town will not be able to realize upon the security to reimburse the purchaser under any circumstances.

8. **IMPORTANT NOTICE TO PURCHASERS**

An application has been made for this project and all approvals required for the issuance of building permits for this project may not have been granted. For further information, call the Town of Richmond Hill Planning and Regulatory Services Department at 771-8910, files 19T-14003 & 19T-15010

9. **PLACEMENT OF MATERIAL IN PARKLAND OR NATURAL HERITAGE LANDS**

Purchasers are advised that they are not permitted to place, or permit to be placed, any debris, junk, rocks, stumps, trees, shrub, bush, hedge, landscape berm or fill of any kind or other object within parkland or natural heritage lands.

Purchasers are further advised that they are not permitted to place, or permit to be placed, a gate in any fence erected on such lands and that they shall not have direct access from their own property to such lands. Purchasers are further advised that they are not permitted to cause or allow to be undertaken on any such lands any activity other than permitted by the town in accordance with its by-laws and/or practices without the express permission of the town's commissioner of planning and regulatory services.

10. **STREET TREES**

Purchasers are advised that while the town has imposed a charge for tree planting based upon the number of residential units within the plan(s), there is no guarantee or representation that a tree will be placed on the untraveled portion of the public highway in front of the residential unit the purchasers are buying. The use of the number of residential units is solely a method of calculating the charge. If the purchaser pays the developer or any other party any amount for tree planting or street trees, that is a private matter between the purchaser and the payee. The town is not obligated in any manner whatsoever to plant a tree in front of any particular residential unit.

11. **PARK DEVELOPMENT**

Purchasers are advised that community uses are intended for the parkland in the vicinity of the property and that such uses may result in increased traffic on the streets adjacent to or in the vicinity of the property. Purchasers are further advised that the property may be affected by noise and lighting from the parkland which may interfere with some activities of the building occupants.

12. **NATURAL HERITAGE LANDS AND RECREATION TRAIL SYSTEM**

Purchasers are advised that the Town of Richmond Hill intends to install or has installed recreational trail systems within natural heritage lands within, adjacent to and/or in the vicinity of the plan. Trail uses may result in increased pedestrian and non-motorized vehicular use of those types of public lands adjacent to or in the vicinity of the property.

13. **ENCROACHMENTS**

Purchasers are advised that encroachments of any kind are not permitted on parkland, stormwater management facility blocks or natural heritage lands.

14. **WALKWAYS**

Purchasers are advised that the Town of Richmond Hill intends to install public walkways on lands taken by the town as walkways and that such uses may result in increased vehicular and pedestrian traffic on the street and adjacent to or in the vicinity of the property and a high volume of pedestrian traffic on the walkways. Purchasers are further advised that this use may affect some activities of the building occupants

15. **NOISE LEVELS**

Purchasers are advised that despite the inclusion of noise control features in the development and within the building units, sound levels due to increasing road traffic may occasionally interfere with some activities of the dwelling occupants as the sound levels exceed the sound level limits of the municipality and the ministry of the environment and climate change

16. **PROVISION FOR CENTRAL AIR CONDITIONING**

This dwelling unit has been designed with the provision for adding central air conditioning at the occupant's discretion or where required by the Municipality. Installation of central air conditioning by the occupant in low and medium density developments will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the sound level limits of the municipality and the ministry of the environment and climate change. If air conditioning is installed, the air-cooled condenser unit shall have a sound rating not exceeding 7.6 BELs and shall be located so as to have the least possible noise impact on outdoor activities of the occupants and their neighbours.

17. **ALLOCATED SEWAGE CAPACITY**

Purchasers are advised that the Town of Richmond Hill has allocated sewage capacity for the lots or blocks on the plan of subdivision subject to the policies adopted by the council of the town from time to time. One of those policies is that such allocation may be revoked if the assigned capacity is not utilized within two years from the date of allocation. Availability of such sewage capacity is a pre-condition of the issuance of any building permits for any residential dwelling units within the plan. For further information, please contact, the Planning and Regulatory Services Department at 771-8800, file 19T-14003 and 19T-15010

18. **CASH IN LIEU OF PARKLAND**

Purchasers are advised that prior to the issuance of a building permit, the town will require the payment of cash in lieu of parkland pursuant to Section 42 of the *Planning Act*. This payment is an obligation of the owner of the property at the time of the issuance of a building permit and, if the purchasers wish the developer of the plan or any other party to be responsible for payment of this cash in lieu of payment, that is a private matter which does not relieve the owner of the property at the time of the issuance of a building permit from responsibility to pay the cash in lieu

19. **ENGINEERED FILL OR SPECIAL BUILDING TECHNIQUES**

Purchasers are advised that the property may have received or may receive engineered fill. Purchasers are further advised that unless the property has received or will receive such engineered fill, it may require special building techniques for the foundation and/or superstructure of the building(s) on the property. Purchasers are further advised that, in any event, special building techniques may be required to provide support for any other structures built on the property, including such structures as swimming pools and decks

20. **LOW IMPACT DEVELOPMENT MEASURES**

The low impact development (lid) measures on the subject property form an integral part of the stormwater management infrastructure for the community. It is the owner's responsibility to maintain this system and to ensure that proper drainage is maintained

21. **RAIN BARRELS**

The rain barrel(s) located on the subject property forms an integral part of the stormwater management infrastructure for the community. It is the owner's responsibility to maintain this system and to ensure its continued operation.

SCHEDULE “E”

PURCHASER’S CONSENT TO THE COLLECTION AND LIMITED USE OF PERSONAL INFORMATION

For the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the *Personal Information Protection and Electronic Documents Act*), the Purchaser hereby consents to the Vendor’s collection and use of the Purchaser’s personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser’s purchase of the Real Property, including without limitation, the Purchaser’s name, home address, email address, fax/telephone number, age, date of birth and marital status only for the limited purposes described in Subparagraphs (c), (g), (h) and (i) below, and in respect of residency status and social insurance number only for the limited purpose described in Subparagraph (h) below, as well as in respect of the Purchaser’s financial information and choices of features and finishes, for the purpose of completing this transaction and for post-Closing and after-sales customer care, and in respect of the disclosure and/or distribution of any or all of such personal information to the following entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

- (a) any companies or legal entities that are associated with, related to or affiliated with the Vendor and are developing one or more residential communities that may be of interest to the Purchaser or members of the Purchaser’s family, for the limited purpose of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser’s family;
- (b) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related or affiliated with Vendor, and who may send (by e-mail or other means) promotional literature/brochures about new condominiums and/or related services to Purchaser and/or members of Purchaser’s family;
- (c) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser’s family, including without limitation, the Vendor’s construction lender(s), the project monitor, Tarion and/or any warranty bond provider required in connection with the development and/or construction financing of the Subdivision and/or the financing of the Purchaser’s acquisition of the Real Property from the Vendor;
- (d) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Real Property (or any portion thereof) including, without limitation, any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser’s mortgage lender(s) in connection with the completion of this transaction;
- (e) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Dwelling and the installation of any extras or upgrades ordered or requested by the Purchaser;
- (f) one or more providers of cable television, internet, telephone, telecommunication, security alarm systems, concierge/convenience, hydro-electricity, chilled water/hot water, gas, meter-reading and/or other similar or related services to the Real Property (or any portion thereof);
- (g) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office, the Ontario Ministry of Finance and the Canada Revenue Agency;
- (h) the Canada Revenue Agency, to whose attention any T-5 interest income tax information return and/or the non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser’s social insurance number or business registration number (as the case may be), as required by Regulation 201(I)(b)(ii) of the *Income Tax Act*;
- (i) the Vendor’s solicitors, to facilitate the closing of this transaction, including the closing by electronic means via the TERS, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;
- (j) any person, where Purchaser further consents to such disclosure or if such disclosure is required by law.

SCHEDULE "F" – CONFIRMATION RE AGENT/BROKER

The undersigned Purchaser(s) hereby acknowledges and confirms that:

- The Purchaser’s interest are being represented by a real estate brokerage and the Purchaser is aware that the real estate brokerage will be paid a commission by the Vendor in connection with this transaction;**

or

- the Purchaser(s) is not represented by a real estate brokerage**

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

Witness

Purchaser

Witness

Purchaser

SAMPLE AGREEMENT

SCHEDULE LRA

Notwithstanding that Paragraph 12 of Schedule C to the Agreement provides that the Purchaser shall not assign its interest under this Agreement, the Vendor and the Purchaser hereby agree that, upon the Purchaser paying deposits to in the amount of eight-and-a-half percent (8.5%) or more of the Purchase Price, and provided that all covenants and other obligations in this Agreement have been duly performed and observed by the Purchaser, the Purchaser shall have the option (the “**Option**”), to be exercised on one occasion only, to assign the Purchaser’s interest in and to the Agreement, together with its interest in all deposits paid by the Purchaser thereunder to a third party or parties (the “**Assignee**”), and to amend this Agreement, all subject to the terms and conditions of this Schedule LRA and Vendor’s standard form of Agreement to Assign and Amend the Agreement of Purchase and Sale, a copy of which is annexed hereto. This Option shall be exercisable by notice in writing given by the Purchaser to the Vendor on or prior to sixtieth (60th) day prior to the Occupancy Date (as defined in the Taron Addendum). The Vendor and the Purchaser agree that, upon the Purchaser giving the notice exercising this Option, the Agreement herein shall be amended, without need for any further act or formality, by deleting the within Schedule LRA.

To be effective, the notice by the Purchaser exercising this Option must be accompanied by:

- (A) three (3) copies of the Agreement to Assign and Amend the Agreement of Purchase and Sale, such copies having been completed with all required information and without amendment to any of the terms and provisions therein, and having been duly executed by the Purchaser and the Assignee;
- (B) any additional deposit(s) by post-dated cheques from the Assignee drawn on a deposit account in Canada made payable to the Vendor, which deposit(s) would become due and payable pursuant to this Agreement on a date subsequent to the Effective Date, as such term is defined in the Agreement to Assign and Amend the Agreement of Purchase and Sale;
- (C) true copy or copies of photograph identification of Assignee in the form of a passport and/or a driver’s license, as determined necessary in the Vendor’s sole discretion, and if Assignee is unable to attend at Vendor’s sales centre or head office in order to allow Vendor to verify the photograph identification, then such copies must be accompanied by an attestation/verification of the photograph identification in Vendor’s standard form therefor; and
- (D) a cheque from the Assignee drawn on a deposit account in Canada in the amount of TEN (\$10.00) DOLLARS made payable to the Vendor, in order to comply with FINTRAC regulations.

The assignment and amendment contemplated herein shall be strictly subject to the terms and conditions in this Schedule LRA and the annexed form of Agreement to Assign and Amend the Agreement of Purchase and Sale.

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

WITNESS (as to each Purchaser’s signature))
)
)
)
)
)
)
)
)
)
)

Purchaser

Purchaser

KING EAST DEVELOPMENTS INC.

Per: _____
Authorized Signatory
I have authority to bind the Corporation

Appendix to Schedule LRA

ASSIGNMENT AND AMENDMENT OF AGREEMENT OF PURCHASE AND SALE

AMONG:

King East Developments Inc.
(the “Vendor”)

OF THE FIRST PART

-and-

(the “Assignor/Purchaser”)

(the “Assignor/Purchaser”)

OF THE SECOND PART

-and-

(the “Assignee”)

(the “Assignee”)

OF THE THIRD PART

WHEREAS

- A. Assignor/Purchaser and Vendor entered into an Agreement of Purchase and Sale (the “**Agreement**”), relating to Lot No. ____ at the residential development known as King East Estates in Richmond Hill, Ontario, a copy of which is attached hereto as Schedule “A”, whereby Vendor agreed to sell the Property described therein to Assignor/Purchaser, subject to the terms and provisions contained therein; and
- B. Pursuant to Schedule LRA of the Agreement, Assignor/Purchaser was granted an option to assign its interest in and to the Agreement to Assignee, together with its interest in all deposits paid by Purchaser thereunder, subject to the terms and conditions of Schedule LRA and this Assignment and Amendment of Agreement of Purchase and Sale (the “**Assignment**”); and
- C. Assignor/Purchaser has given notice to Vendor that it has exercised its Option as aforesaid, and Vendor has confirmed that such notice was received by it and the Option was validly exercised by Assignor/Purchaser.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of \$10.00 now paid by each party to each of the other parties hereto (the receipt and sufficiency whereof is hereby acknowledged) and the covenants and agreements herein contained, the parties covenant and agree as follows:

1. RECITALS

The parties hereto hereby acknowledge, confirm and agree that the foregoing recitals are true in substance and fact.

2. MEANINGS

Any defined term referred to in this assignment agreement that is not defined herein shall have the meaning given to it in the Agreement.

3. ASSIGNMENT AND VENDOR’S CONSENT

As of the Effective Date, Assignor/Purchaser hereby assigns to Assignee its interest in and to the Agreement, together with its interest in all deposits paid by Purchaser thereunder, subject to the observance and performance of the covenants and other obligations of Purchaser contained in the Agreement. Vendor hereby consents to the within Assignment as of the Effective Date.

4. ASSIGNOR/PURCHASER’S COVENANTS

- (a) Assignor/Purchaser covenants and agrees with Assignee and Vendor that, as of the date hereof, Assignor/Purchaser has given Assignee a copy of the Agreement and any amendments thereto, together with copies of all notices given by Vendor to Assignor/Purchaser pursuant to the Agreement, which may include notices relating to the Occupancy Date and any changes thereto, and all documents and agreements supplementary to the Agreement, which may include deposit receipts and colour finishes selections charts authorized by Assignor/Purchaser;
- (b) Assignor/Purchaser covenants and agrees with the Assignee that, as of the Effective Date, the Agreement is a good, valid and subsisting agreement and that the deposits have been duly paid up to date and all covenants and other obligations therein contained have been duly observed and performed by both Assignor/Purchaser and Vendor, and

that Assignor/Purchaser has good right, full power and absolute authority to assign the Agreement and its interest in the deposits and interest earned thereon, subject to the provisions hereof, free and clear of any encumbrances of any kind whatsoever; and

- (c) Assignor/Purchaser hereby acknowledges that Vendor's satisfaction or waiver of the condition in Paragraph 8 hereof is made strictly in reliance of Assignor/Purchaser's covenants and agreements herein.

5. ASSIGNEE COVENANTS

Assignee covenants and agrees with Assignor/Purchaser that, as of and from the Effective Date:

- (a) It will pay the additional deposits (if any) and the cash balance of the Purchase Price at the times and in the manner set forth in the Agreement, and observe and perform the covenants and other obligations contained in the Agreement on the part of the Assignor/Purchaser to be observed and performed, and it will indemnify and save harmless Assignor/Purchaser from all actions, suits, costs, losses, charges, demands and expenses for and in respect of any such non-payment, non-observance or non-performance; and
- (b) It will at all times be bound by all of Assignor/Purchaser's covenants, warranties, representations, obligations, and liabilities set forth in (or arising under) the Agreement, including without limitation, the obligation to pay the additional deposits (if any) and the cash balance of the Purchase Price at the times and in the manner set forth in the Agreement, and that it will indemnify and save harmless Vendor from all actions, suits, costs, losses, charges, demands and expenses for and in respect of any such non-payment or non-observance or non-performance. Assignee further covenants and agrees with Vendor that, by its signature herein, Assignee has received a copy of the Agreement and any amendments thereto, together with all notices given by Vendor to Assignor/Purchaser pursuant to the Agreement and all documents and agreements supplementary to the Agreement, and Assignee covenants and agrees with Vendor that it shall be bound by the same as of the Effective Date.

6. AMENDMENT OF AGREEMENT OF PURCHASE AND SALE

Upon the execution of this Assignment by each of the parties hereto, the Agreement shall hereby be amended by deleting Schedule LRA. Save and except for the above-noted amendment, all other terms, provisions and conditions of the Agreement shall remain in full force and effect as stated therein, and time shall continue to be of the essence in all respects.

7. GUARANTEE

Notwithstanding the within assignment and amendment of the Agreement, Assignor/Purchaser hereby unconditionally guarantees to Vendor the due and punctual payment of the additional deposits (if any) and the balance of the Purchase Price at the times and in the manner set forth in the Agreement, including without limitation, all monies secured by any Vendor take-back mortgage in connection with the completion of the purchase and sale transaction between Vendor and Assignee, on the express understanding that the liability of Assignor/Purchaser in respect of this guarantee shall subsist and continue, and be correspondingly binding upon Assignor/Purchaser, notwithstanding that Assignee does not execute any escrow or final closing documentation whatsoever (nor receives any notice thereof), and notwithstanding any further or subsequent amendment to the Agreement (which may be made without notice to, and without the concurrence of, Assignor/Purchaser), and notwithstanding the bankruptcy or insolvency of Assignee, until the outstanding balance of the Purchase Price has been fully paid and satisfied, and nothing whatsoever shall reduce, release or extinguish such liability of Assignor/Purchaser to and in favour of Vendor until the entirety of the Purchase Price has been fully paid to Vendor as aforesaid. Without limiting the generality of the foregoing, it is understood and agreed by the parties hereto that if Assignee defaults in its obligations to pay the additional deposits (if any) and the entire outstanding balance of the Purchase Price (subject to the adjustments outlined in the statement of adjustments on Closing) owing to Vendor and/or otherwise fails to complete the purchase and sale transaction with Vendor in accordance with the provisions of (and at the times in the manner contemplated by) the Agreement, then Vendor shall thereafter be entitled to exercise and pursue all rights, remedies and powers against Assignee and/or Assignor/Purchaser, but shall not be obliged to effect tender upon Assignor/Purchaser if Vendor has already effected tender upon Assignee, and shall not be obliged to exhaust or pursue any or all rights, remedies and powers available to Vendor against Assignee as a consequence of such default before being entitled to pursue any and all of such rights, remedies and powers against Assignor/Purchaser, or vice versa.

8. FINANCIAL AND PERSONAL INFORMATION

Assignee hereby agrees to submit to Vendor and/or a designated representative of Vendor's financial institution (the "**Financing Representative**") within 3 days following the execution of this Agreement by Assignor/Purchaser, Assignee and Vendor, and thereafter, within 3 days following receipt of request from either Vendor (or its representatives or sales agents) and/or the Financing Representative, as often as any of them shall require, any mortgage application forms relating to the any proposed mortgage financing that Assignee shall require in order to pay any portion of the cash balance of the Purchase Price, together with all requested financial and personal information (the "**Financial and Personal Information**"), including written advice as to how Assignee wishes to take title, evidence of the source of deposits paid or to be paid hereunder, and of any assignment fee paid to any party in connection with this transaction, and of Assignee's assets and liabilities, together with written confirmation of Assignee's annual income, and any other documents or verifications as required by Vendor and/or the Financing Representative for the purpose of obtaining approval of Assignee's proposed mortgage financing or for otherwise satisfying Vendor and/or Financing Representative that Assignee has the financial resources to pay the additional deposits (if any) and the cash balance of the Purchase Price due on the Closing Date and so as to be able to complete the transaction contemplated herein. In furtherance of its obligations herein, Assignee agrees to make any attendances on Vendor and/or the Financing Representative which are deemed necessary by either of them. In the event that Assignee is a married person, the Financial and Personal Information shall also include Assignee's spouse's financial and personal information as aforesaid, which Assignee

covenants and agrees to procure. Assignee acknowledges and agrees that if Assignee is a married person, Assignee shall procure Assignee's spouse's guarantee (on the Vendor's usual form), if same is required by Vendor and/or the Financing Representative as a condition of approving the amount of the proposed mortgage financing, together with any other documents that may be required by Vendor and/or the Financing Representative to be executed by Assignee's spouse as ancillary to such guarantee, and Assignee agrees to deliver such spousal guarantee (and all ancillary documents duly executed by such spouse) as and when requested by the Financing Representative or Vendor. Assignee shall execute all mortgage application forms as aforesaid and shall complete, execute (or, where applicable, have completed and executed) and deliver all Financial and Personal Information forms furnished by Vendor and/or the Financing Representative in an accurate and comprehensive manner. Assignee hereby authorizes Vendor and/or the Financing Representative to obtain any consumer report from a consumer reporting agency or credit bureau containing Assignee's credit (and Assignee's spouse's credit) and/or personal information, which may be referred to at any time in connection with this transaction, and agrees that such consumer's report and all Financial and Personal Information may be shared between Vendor and/or the Financing Representative from time to time.

9. DEPOSITS

It is understood and agreed by the parties hereto that, as of the Effective Date, Assignee shall be credited with the aggregate of all deposits paid on account of the Purchase Price by Assignor/Purchaser. Accordingly, no deposits paid by Assignor/Purchaser in connection with the Agreement shall be refunded by Vendor to the Assignor/Purchaser (nor shall Assignor/Purchaser initiate or pursue any claim, action or proceeding for any such refund, in whole or in part, against Vendor or Tarion Warranty Corporation), and any issue regarding any deposits heretofore paid shall be a separate and private issue to be resolved solely between the Assignor/Purchaser and Assignee directly.

10. NO NOVATION

It is the intent of the parties hereto that this Conditional Assignment shall not constitute a novation and shall in no way adversely affect the enforceability of the provisions of the Agreement of Purchase and Sale as against Assignor/Purchaser or Assignee or both of them.

11. ASSIGNEE'S PERSONAL INFORMATION

The Assignee's name, date of birth, information regarding Assignee's occupation or nature of principal business and Assignee's and Assignee's Solicitor's addresses for delivery of notices and documents is as follows:

NAME (PRINT): _____ NAME (PRINT): _____

DATE OF BIRTH: _____ DATE OF BIRTH: _____

OCCUPATION / NATURE OF PRINCIPAL BUSINESS: _____ OCCUPATION / NATURE OF BUSINESS: _____

Assignee's Solicitor's Address for Delivery:

Assignee's Address for Delivery:

Attention: _____ Res. Telephone No.: _____ Cell: _____

Telephone No.: Fax No.: _____ Bus. Telephone No.: _____ Fax: _____

Email Address: _____ Email Address: _____

12. ENUREMENT

This Conditional Assignment shall be binding upon and shall correspondingly enure to the benefit of each of the parties hereto and their respective heirs, estate trustees and successors.

13. TIME OF THE ESSENCE

Time shall be of the essence with respect to the performance and observance of all covenants and other obligations herein.

14. GENDER, NUMBER ETC.

This Conditional Assignment shall be read and construed with all changes of gender and/or number as may be required by the context. Where there are two or more individuals comprising Assignor/Purchaser and/or Assignee/New Purchaser, their covenants and obligations hereunder shall be joint and several.

15. GOVERNING LAW

This Conditional Assignment shall be governed by, and construed in accordance with, the laws of the Province of Ontario, Canada.

16. SEVERABILITY

Each of the provisions of this Conditional Assignment shall be deemed independent and severable from the other provisions hereof, and the invalidity or unenforceability (in whole or in part) of any one of more of such provisions shall not be deemed to impair or affect in any manner the validity or enforceability of the remainder of this Conditional Assignment, and in such event the invalid or offending provision(s) shall be deemed to be severed and void, while the remaining provisions of this Conditional Assignment shall continue in full force and effect as if such invalid or offending provision(s) had never been included herein.

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the ___ day of _____, 20__.

WITNESS
(as to each Assignor/Purchaser signature
and each Assignee signature)

KING EAST DEVELOPMENTS INC.

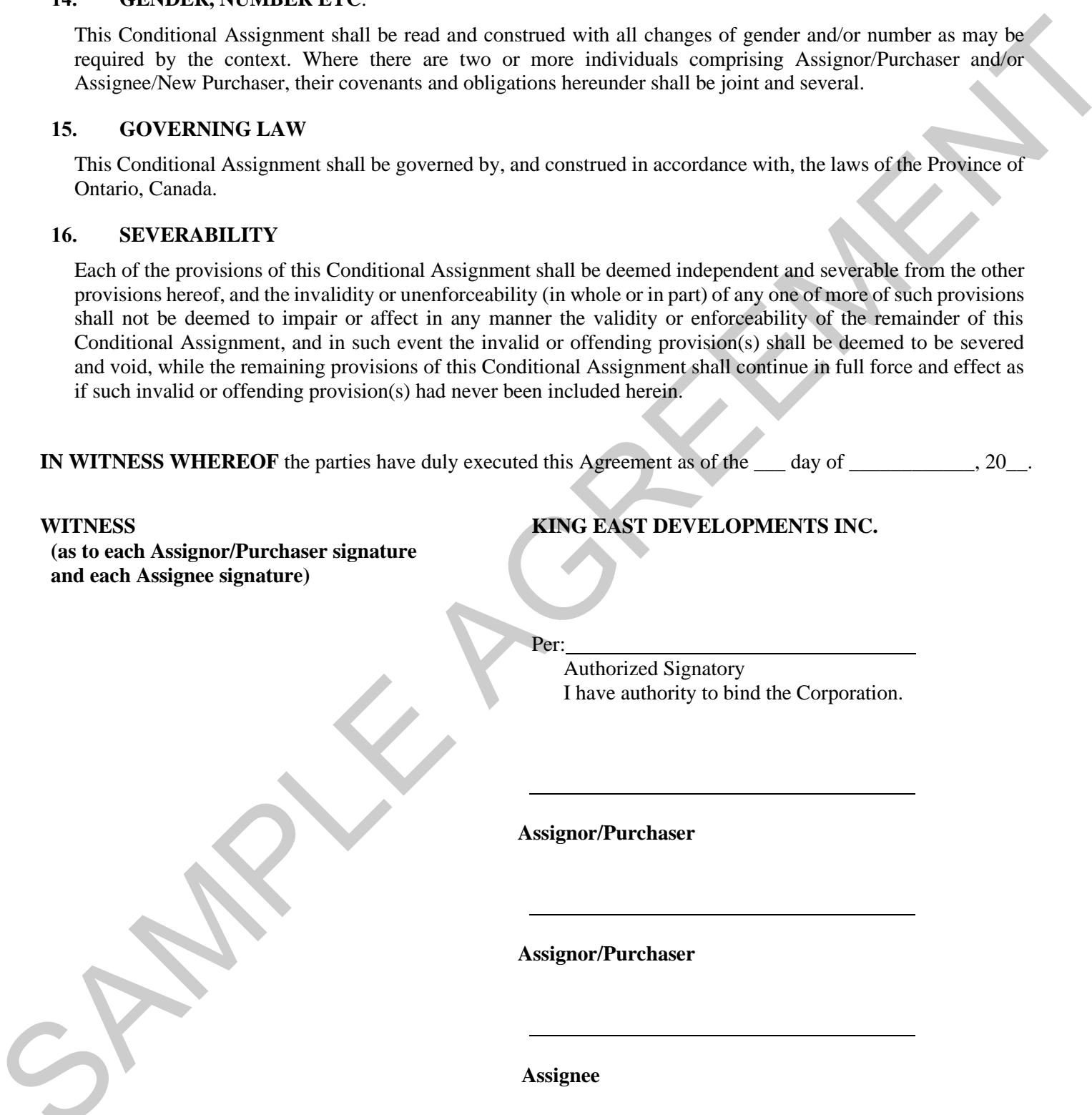
Per: _____
Authorized Signatory
I have authority to bind the Corporation.

Assignor/Purchaser

Assignor/Purchaser

Assignee

Assignee



Property _____

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: Please visit Tarion's website: www.tarion.com for important information about all of Tarion's warranties including the Delayed Closing Warranty, the Pre-Delivery Inspection and other matters of interest to new home buyers. You can also obtain a copy of the Homeowner Information Package which 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 Closing of your purchase.

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:

the 31st day of March, 2021.

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 29th day of July, 2021.

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

the 26th day of November, 2021.

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

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

the 29th day of July, 2022.

2. Notice Period for a Delay of Closing

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

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

the 1st day of January, 2021.

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

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

the 1st day of May, 2021.

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

3. Purchaser's Termination Period

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

the 28th day of August, 2022.

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: _____

**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	King East Developments Inc.		
	Full Name(s)		
	10 Wanless Avenue		
	Tarion Registration Number	Address	
	4164812222	Toronto	Ontario M4N 1V6
	Phone	City	Province Postal Code
	4164818000	info@plazacorp.com	
	Fax	Email*	

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

PROPERTY DESCRIPTION	368, 376, 384, 390, 396, 404 and 416 King Road		
	Municipal Address		
	Richmond Hill	Ontario	
	City	Province	Postal Code
	Parts of Lots 37, 38 and 39, Plan 202 and PArts of Lots 58 and 59, Plan M-807		
	Short Legal Description		

Number of Homes in the Freehold Project 255 (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: _____

Richmond Hill Council approval of staff recommendation for water and sewage capacity allocation

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 30 day of Oct, 2020.

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.**

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

- (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":

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"):

- (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.

“**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.]

- 1.
- 2.
- 3.

SAMPLE AGREEMENT

Schedule "B" to the Addendum – Part I

Item	Amount	Schedule	Paragraph No.
Administrative fee for any cheque not accepted by Vendor's or Escrow Agent's bank	\$250.00	Schedule C	6(a)(v)
Fee for the preparation and delivery of each separate piece of written evidence of the receipt of Purchaser's deposits	\$50.00	Schedule C	6(a)(vi)
an administrative fee of for the installation of a water meter for the Real Property	\$500.00	Schedule C	6(a)(vii)
an administrative fee of for boulevard tree planting and landscaping, notwithstanding that a tree may not be planted on the Real Property or in the boulevard adjacent to the Real Property	\$375.00	Schedule C	6(a)(viii)
an administrative fee of for the preparation of documents for the electronic registration of the Transfer/Deed	\$50.00	Schedule C	6(a)(ix)
a fee of for the installation of a rear deck if required by a Governmental Authority	\$1,800.00	Schedule C	6(a)(xi)
a fee of for the installation of air conditioning if required by a Governmental Authority	\$3,000.00	Schedule C	6(a)(xii)
a fee of for a walk-out basement if required by a Governmental Authority	\$20,000.00	Schedule C	6(a)(xiii)
a fee of for the Vendor's subdivision grading deposit, which fee will be returned to the Purchaser following the Governmental Authority's approval and registration of the Subdivision provided that the Purchaser does not affect the grading in any way	\$2,000.00	Schedule C	6(a)(xiv)

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

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

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

- 1.
- 2.
- 3.

SAMPLE AGREEMENT

Schedule "B" to the Addendum – Part II

Item	Amount	Schedule	Section
The realty taxes required to be paid during the year of the Closing.	As estimated by Vendor, subject to readjustment when the actual amount of such realty taxes is ascertained and is no longer subject to appeal by Purchaser	Schedule C	6(a)(i)
<p>an amount equal to the development charges, education development charges, parks levy, improvement charges and any other charges or levies assessed against or imposed by the Governmental Authorities on the Real Property (or assessed against the development as a whole and attributed to the Real Property by prorating same in accordance with the number and type of Units), which have been paid or are payable by the Vendor, provided that any such payment and/or reimbursement by Purchaser for the items referred to in this Subsection shall not exceed:</p> <p>(a) \$8,000.00 for a Townhouse Dwelling; (b) \$10,000.00 for a Semi-detached Dwelling; and (c) \$1,5000.00 for a Single Dwelling</p>	To be apportioned	Schedule C	6(a)(ii)
the unpaid charges for supplying and installing any upgrades, extras or changes to the standard Vendor's features and finishes or to the Real Property ordered by Purchaser	To be apportioned	Schedule C	6(a)(iii)
The Vendor's cost of enrolling the Property under Tarion.	To be determined at the time of enrolment	Schedule C	6(a)(iv)
Vendor's solicitor's LawPro real estate transaction levy surcharge.	To be determined at Closing	Schedule C	6(a)(x)
Interest on outstanding payments	To be determined at Closing	Schedule C	6(a)(xv)

Appendix to the Addendum - Early Termination Conditions

1. In the event of a default by the Purchaser, in addition to any other rights or remedies which the Vendor may have, including, without limitation, the right to recover any damages suffered by reason of the Purchaser's default, the Vendor, at its option, shall have the right to declare the Agreement null and void and in such event, all monies paid hereunder (including the deposits paid or agreed to be paid by the Purchaser pursuant to the Agreement as set forth on the first page hereof, or on any schedule hereto, which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon and monies paid or payable for Extras ordered by the Purchaser, whether or not installed in the Real Property, shall be forfeited to the Vendor as liquidated damages and not as a penalty (all without prejudice to any other right or remedy of the Vendor, whether at law or in equity, including without limitation the right to recover any damages suffered by the Vendor by reason of the Purchaser's default). (see Paragraph 3(c) of Schedule C)
2. The Purchaser is to be allowed until fifteen (15) days before the Closing Date to examine the title at the Purchaser's own expense. If within that time any valid objection to title is made in writing to the Vendor which the Vendor shall be unable or unwilling to remove and which the Purchaser will not waive, the Agreement shall, notwithstanding any intermediate acts or negotiations in respect of such objections, be null and void and the Deposits shall be returned to the Purchaser by the Vendor without interest and otherwise subject to the terms of the Agreement, and the Vendor shall not be liable to the Purchaser for any costs or damages, or have any other liability to the Purchaser whatsoever. (see Paragraph 7(a) of Schedule C)
3. In the event of default by the Developer in compliance with the requirements therein contained, or in the event the Vendor or Developer exercises its right, by reason of Municipal changes or requirements or adverse soil conditions affecting the Real Property, to terminate the Purchase Agreement as it relates to the Real Property or in any other event that the Purchase Agreement is not completed, and the Vendor is thereafter no longer the owner of the Real Property, the Agreement shall be deemed to be frustrated and shall be terminated and all deposit monies shall be repaid to the Purchaser in accordance with the Tarion Addendum and all parties hereto shall be released of any liability or obligation hereunder. (see Paragraph 13 of Schedule C)
4. In the event of damage to the Real Property prior to the Closing Date which frustrates the contract or renders the performance thereof impossible, or for which the Vendor otherwise has the right to terminate the Agreement at law or inequity, then the Vendor may, in the Vendor's sole discretion, either: (1) terminate the Agreement and return to the Purchaser all deposits theretofore paid by the Purchaser to the Vendor in accordance with the Tarion Addendum, and upon such termination the Vendor shall be relieved of all liability pursuant to the Agreement; or (2) 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. (see Paragraph 14(d) of Schedule C)
5. Notwithstanding anything contained to the contrary in the Agreement, where the Agreement is terminated by the Purchaser pursuant to a right of the Purchaser (other than as a result of a breach of contract by the Purchaser) contained in the Tarion Addendum, then the only remedy of the Purchaser is to receive a refund of all monies paid by the Purchaser, including deposits and monies for upgrades and extras as provided for in the Tarion Addendum, including payment of delayed closing compensation as set out in the Tarion Addendum and the Purchaser shall have no other remedy against the Vendor for economic loss, expectation damages or any other damages whatsoever, whether arising or founded in contract, tort, equity or otherwise. This provision may be pleaded by the Vendor as a complete defence to any such claim. (see Paragraph 22(b) of Schedule C)
6. If Vendor terminates the Agreement and if such termination is not in accordance with the permitted Early Termination Conditions set out in the Appendix to the Tarion Addendum, the Vendor agrees to pay and the Purchaser agrees to accept One Thousand Dollars (\$1,000). Such payment, which is a genuine pre-estimate of the damages which Purchaser will suffer or incur as a result of said termination of this Agreement, is liquidated damages and not a penalty. The Purchaser irrevocably waives any right to raise as a defence that any such liquidated damages are insufficient. (see Paragraph 41 of Schedule C)