

AGREEMENT OF PURCHASE AND SALE

(Serenity Bay Phase 1)

PURCHASER(S):

(singularly or collectively referred to as the "Purchaser"), hereby agree(s) to and with LIV (Lake Couchiching Residence) LP (the "Vendor") to purchase the Property described below on the following terms and to pay the following monies as hereinafter specified:

Lot#: ___ Phase: ___ Address: ___ in the Town of ___(the "Dwelling") and a freehold parcel of land on which such Dwelling will be constructed, as shown on the site plan attached hereto, Plan No(s): _____(the "Lands").

Model Name: _____ Elevation: _____ Model Code: _____

The Lands and the Dwelling are herein collectively referred to as the "Property" for a total cost of:

PURCHASE PRICE:

\$ _____ .00 (_____ and 00/100 dollars)

of lawful money of Canada (the "Purchase Price") inclusive of Harmonized Sales Taxes ("HST"), net of all rebates as hereinafter set out, payable to the Vendor as follows:

DEPOSITS:

- a. the sum of \$ _____ (and 00/100 dollars) as a deposit to be paid upon the execution of this Agreement;
- b. the sum of \$ _____ (and 00/100 dollars) by post-dated cheque as a further deposit dated for _____, 2022 following the execution of this Agreement by the Purchaser;
- c. the sum of \$ _____ (and 00/100 dollars) by post-dated cheque as a further deposit dated for _____, 2022 following the execution of this Agreement by the Purchaser;
- d. the sum of \$ _____ (and 00/100 dollars) by post-dated cheque as a further deposit dated for _____, 2022 following the execution of this Agreement by the Purchaser;

The balance of the Purchase Price, in Lawful money of Canada shall be paid to the Vendor, on Closing (as hereinafter defined), by certified cheque or bank draft drawn on a Canadian Chartered Bank, subject to the adjustments as set out in this Agreement. All Deposits paid shall be paid to the Vendor and shall be credited to the Purchase Price on Closing.

The parties hereto consent and agree to the use of electronic signature pursuant to the Electronic Commerce Act 2000, S.O. 2000, c17, as amended from time to time, with respect to this Agreement and any other documents respecting this transaction.

The TARION Warranty Corporation's "Statement of Critical Dates", "Addendum to Agreement of Purchase and Sale", including Schedule "A" (Types of Permitted Early Termination Conditions) and Schedule "B" (Adjustments to Purchase Price or Balance Due on Closing) (collectively the "Addendum") are attached to and form part of this Agreement. The transaction provided for in this Agreement shall be completed on the date of closing ("Closing Date"), determined in accordance with the provisions of the Addendum, notwithstanding any other term of this Agreement to the contrary.

The following Schedules are appended hereto and form part hereof:

SCHEDULES: "A" Features and Finishes, "B" Floor Plan and Elevation, "C" Site Plan, "X" Incentives and Extras, "D" Décor Centre, "H" Health and Safety Policy Acknowledgement, "L" Terms and Conditions, "P" Park Membership, "W" Warning Clauses, "T" Tarion Addendum, together with any other schedule(s) hereto shall form part of this Agreement (collectively, the "Purchase Agreement" or "Agreement"). The Purchaser acknowledges that he/she has read this Agreement, including the Addendum, and agrees to be bound by the terms hereof.

Lot#: ___ Phase: ___ Address: ___ in the Town of ___ (the "Dwelling") and a freehold parcel of land on which such Dwelling will be constructed, as shown on the site plan attached hereto, Plan No(s): _____ (the "Lands").

This offer is Irrevocable by the Purchaser until 5:00 p.m. on the Irrevocable date as hereinafter set out, after which time if not accepted, this offer shall be void and the deposit monies returned to the Purchaser, without interest. This transaction shall be completed on the Closing Date, on which date vacant possession shall be given to the Purchaser as per Tarion attached hereto.

DATE OF OFFER: _____

IRREVOCABLE DATE: _____

CLOSING DATE: _____

Witness

Purchaser #1 Name / Purchaser #1 Signature

Address

City / Prov Postal Code

Phone # Cell #

Email

Witness

Purchaser #1 Name / Purchaser #1 Signature

Address

City / Prov Postal Code

Phone # Cell #

Email

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

ACCEPTED this _____ day of _____, 2021

Vendor's Solicitors:
Scarfone Hawkins LLP
Jim Mahler
Barrister and Solicitor
One James Street South, 14th Floor
Hamilton, Ontario L8P 4R5
P: 905-523-1842 F: 905-523-5878

Vendor: **LIV (Lake Couchiching Residence) LP**
301-1005 Skyview Drive
Burlington, Ontario L7P 5B1
P: 289-245-1300

LIV (Lake Couchiching Residence) LP, by its General Partner,
LIV (Lake Couchiching Residence) GP Inc.

per _____
Authorized Signing Officer

AGREEMENT OF PURCHASE AND SALE

Schedule "A" Features and Finishes
(Serenity Bay – Detached Single Family Homes)

EXTERIOR FEATURES

- Superior architecturally designed homes to include a mix of exterior material types and varieties as per Vendor's model plans. All elevations, exterior colours and materials are architecturally controlled to produce a complementary streetscape. Materials may consist of a combination of brick, stucco, stone, siding, precast concrete surrounds and/or stucco mouldings, as per elevation. Colours to be selected from Vendor's predetermined packages that have been created using professionally approved Architectural guidelines and colours.
- **MODERN EXTERIOR DETAILS INCLUDING MAINTENANCE-FREE VINYL-WRAPPED PVC PLANKS (or equivalent).** Low maintenance vinyl clad thermo-sealed fixed style casement windows throughout. A minimum of one operable window with screen per room, or door (as per plan). Basement windows to be vinyl sliders.
- Vinyl siding at side and rear elevations, as per plan and elevation.
- Insulated **CONTEMPORARY METAL FRONT ENTRY DOOR WITH GLASS INSERTS** and vinyl frame (as per plan), shall receive **UPGRADED WEISER FRONT DOOR HARDWARE IN SATIN NICKEL** and deadbolt lock for your family's added security.
- Convenient **DIRECT ACCESS FROM GARAGE TO HOME** includes an insulated metal door complete with door closure with deadbolt where shown on plans, and only where grade permits.
- Garden patio door(s) or 5 ft sliding door to rear yard (as per plan).
- **MODERN EXTERIOR WALL SCONCES** to front porch/garage as per model type, or pot lights in lieu of wall sconces where required .
- Pre-finished maintenance-free aluminum soffits, fascia, eavestrough and downspouts (as per elevation).
- Quality self-sealing asphalt shingles with a limited 25-year manufacturer's warranty and pre-finished metal roofing in some areas (as per plan).
- Premium quality metal insulated sectional garage door(s) some with decorative lite top or side panel (as per plan).
- Two (2) exterior weatherproof electrical outlets are included; one at front and one at rear of house.
- Two (2) exterior hose bibs; one in garage and one at rear or side of house.
- Hard surface walkway from driveway to front porch.
- Precast concrete steps at front, sides, and rear entrances as required (as per plan and grading).
- Covered porch with exterior columns (as per elevation) and exterior maintenance free railing with pickets, if required by grade.
- **MODERN EXTERIOR GLASS DECORATIVE RAILING SYSTEM**, excluding grade railing, as per plan
- Elegant municipal address numbers installed on front elevation.
- 2-stage asphalt paved driveway, base and top-coat, to the width of the garage.
- Professionally graded and sodded front and rear yard. Some gravel may be used between side yards.
- Poured concrete foundations include a sprayed damp-proofing and exterior plastic drainage layer.
- Garage floors are poured concrete complete with steel reinforcement in garage floor (as per plan) to enhance structural integrity.
- Garage finished in drywall and taped on wood framed walls only.
- Superior 2" x 6" exterior walls for strength and stability with exterior insulated sheathing.

INTERIOR FEATURES

- Poured concrete floor in the basement with a floor drain by the furnace area, as per plan.
- Sump pump and drain to exterior to be located in the basement, as required.
- **ALL FRAMED FLOORS WILL BE FRAMED WITH AN ENGINEERED WOOD FLOOR SYSTEM FOR OPTIMAL PERFORMANCE.**
- Subfloor materials and installation meet or exceed Ontario Building Code requirements. **ALL JOINTS TO BE SANDED AND ALL SUBFLOORS TO BE NAILED, SCREWED, AND GLUED.**
- **SHUT-OFF VALVE UNDER EVERY SINK AND TOILET.**
- All exterior windows and doors are foam insulated.
- **9 FT CEILING HEIGHT ON MAIN FLOOR** and 8ft ceiling height on 2nd floor, excluding bulkheads in kitchen and other areas as required (as per plan layout).
- Finished areas to have paint grade stringers, carpeted treads and risers (as per plan).
- **STAIRS DESIGNED WITH EXTRA DEEP 10" TREADS (APPROXIMATE).**
- Stairs to unfinished areas to be painted.
- Solid oak 1-5/16" square or traditional spindles and handrail with natural varnished finish on all finished area stairs.
- Decorative smooth round interior columns (as per plan).
- Choice of imported 13"x13" ceramic floor tiles for foyer/entry, bathrooms, laundry room/mudroom, and kitchen/dinette (as per plan), from Vendor's standard samples.
- 35-ounce plush broadloom with 300 Series underpad in all finished areas not covered by a hard surface material, from Vendor's standard samples.
- Choice of interior passage doors available from a selection of Series 800 styles.
- **UPGRADED SATIN NICKEL FINISH LEVERS ON ALL INTERIOR DOORS.**
- **CONTEMPORARY WHITE PAINTED INTERIOR TRIM PACKAGE WITH 2-3/4" CASINGS AND 4" BASEBOARDS THROUGHOUT. SHOE MOULD PROVIDED ON ALL HARD-SURFACE FLOORING.**All half walls are capped and trimmed with 2-3/4" casings.
- **CALIFORNIA KNOCK-DOWN CEILINGS THROUGHOUT** (excluding closets), with 3" smooth border.
- Smooth ceilings in all bathrooms, laundry and kitchen areas.

PAINING

- Interior walls to be finished with one coat of primer and one finish coat of flat paint.
- Purchaser's choice of two (2) colours for walls throughout chosen from Vendor's standard samples.
- Trim and doors to be painted with white semi-gloss paint.

FINISHED LAUNDRY AREA FEATURES

- Laundry room to have a laundry tub (as per plan).
- Where a laundry tub is not provided (as per plan) there will be an in-wall housing unit allowing for hot and cold water supply and waste disposal outlet for future washer.
- Heavy-duty 220V electrical outlet provided for dryer, vented to exterior.
- Exhaust fan, vented to exterior (where applicable).

MEDIA/COMMUNICATIONS

- Purchaser allowance of seven (7) communication rough-ins with a choice between CAT 5 rough-in (for phone or internet use) and RG6 (cable).
- Homes are roughed in for future security systems.

KITCHEN FEATURES

- Gourmet designer kitchens from choice of quality **OAK, MAPLE, OR HI-GLOSS CABINETRY WITH ANGLED UPPER CORNER AND LOWER CORNER PIANO HINGE CABINETS** from Vendor's standard samples (as per plan).
- Flush breakfast bar on kitchen island or peninsula (as per plan).
- **36" EXTENDED UPPER KITCHEN CABINET HEIGHT.**
- **MICROWAVE SHELF AND 110v PLUG PROVIDED.**
- Choice of laminate countertops from Vendor's standard selections.
- Double stainless-steel sink with **UPGRADED MOEN ALIGN KITCHEN FAUCET WITH SPRAY** in chrome finish
- Two-speed stainless steel kitchen exhaust fan with light over stove area vented to exterior with 6" exhaust ducting.
- Dishwasher space with plug and plumbing rough-in provided in kitchen.
- Heavy-duty 220V electrical outlet for electric stove.

BATHROOM FEATURES

- Purchaser's choice of quality **OAK, MAPLE, OR HI-GLOSS CABINETRY** for all bathroom vanities, includes laminate countertop and drop-in sink (as per plan) from Vendor's standard samples.
- Cabinet with drop-in sink or white pedestal sink in powder room as per plan.
- Wall mounted mirrors installed in all bathroom(s) above vanities.
- Energy efficient water-saver shower head and toilet tanks.
- Pressure balance valve in all showers.
- Quality white fixtures in all bathrooms with white ceramic bathroom accessories and quality chrome faucets and shower heads.
- **UPGRADED MOEN RIZON MASTER ENSUITE FAUCET, SHOWER, AND/OR TUB FIXTURES** in chrome finish, as per plan.
- **UPGRADED MOEN RIZON POWDER ROOM FAUCET FIXTURE** in chrome finish.
- Master Ensuite to have separate framed shower with acrylic shower base, tiled walls and ceiling, with recessed light (as per plan).
- 5' soaker tub with tile backsplash, and skirt, or soaker tub with tiled backsplash only (as per plan).
- Ensuite shower opening is framed in white quartz with a chrome-framed shower glass door and ceramic tile (as per plan).
- Choice of quality 13"x13" imported ceramic wall and ceiling tile for bathtubs and shower enclosures from Vendor's standard samples.
- Tub/shower combination to have shower curtain rod, as per plan.
- Exhaust fan vented to exterior in all bathrooms and powder room.
- Privacy locks on all bathroom doors.

HEATING/INSULATION & ENERGY EFFICIENT FEATURES

- Forced air high-efficiency gas furnace with electronic ignition, vented to exterior.
- Hot water tank, power vented or direct vent (lease or rental). Note: Purchaser will be required to continue a lease or rental agreement prior to closing.
- **HRV (HEAT RECOVERY VENTILATOR)** promotes healthier interior air quality by exhausting stale indoor air and replacing it with fresh outdoor air.
- Thermostat centrally located on main floor.
- Ductwork is sized to accommodate future central air conditioner.
- Homes are sealed with vapour barrier, as per Ontario Building Code.
- All windows and exterior doors are fully caulked, as per Ontario Building Code.
- Weather-stripping installed on all exterior doors.
- **ALL AIR DUCTS TO BE PROFESSIONALLY CLEANED.**

LIGHTING AND ELECTRICAL FEATURES

- 100 amp electrical panel with breaker switches.
- Elegant white Decora style wall switches and plugs throughout.

- **PREMIUM BRUSHED NICKEL INTERIOR LIGHTING PACKAGE.**
- Switched light fixtures in all rooms (as per plan).
- **INTEGRATED USB RECEPTACLE LOCATED IN KITCHEN.**
- Capped ceiling outlet with switches for vaulted entryway and dining room (as per plan).
- Electrical outlets in all bathrooms and powder room and counter-height kitchen, include Ground Fault Interrupters as per Ontario Building Code.
- Hard-wired, inter-connected smoke detector in main hall, upper hall, basement and bedrooms.
- Hard-wired carbon monoxide (CO) detector installed on levels with bedrooms.
- Heavy-duty stove and dryer receptacles.
- Dedicated receptacles for future refrigerator, dishwasher, and microwave.
- One (1) electrical wall outlet per car space in garage in addition to one (1) in ceiling per garage door (as per plan), for future garage door opener(s.)
- Rough-in central vacuum system terminating in basement for future connection.
- Door chime included.

GRADING

~Standard Lot (STD) Conditions

Where standard typical conditions are applicable the following features are included in the applicable premium:

- Up to 2 precast concrete steps from the rear to grade

~D1 Conditions

Where D1 conditions are applicable the following features are included in the applicable premium:

- Up to 4 to 6 risers from rear deck to grade
- Low maintenance pressure treated 8x6 ft deck (size may vary, as per plan), with stairs to grade

~D2 Conditions

Where D2 conditions are applicable the following features are included in the applicable premium:

- Up to 7 to 9 risers from rear deck to grade
- Low maintenance pressure treated 8x6 ft deck (size may vary, as per plan), with stairs to grade
- 36"x24" upgraded basement windows, as per plan

~D3 Conditions

Where D3 conditions are applicable the following features are standard and included:

- Up to 10 to 14 risers from rear deck to grade
- Low maintenance pressure treated 8x6 ft deck (size may vary, as per plan), with stairs to grade
- 36"x24" upgraded basement windows, as per plan

~Walk-out Basement (WOB) Conditions

Where WOB conditions are applicable the following features are included in the applicable premium:

- Larger rear vinyl casement basement windows
- Low maintenance pressure treated deck off main floor, no stairs to grade
- Patio door from basement, directly below matching door from rear of main level, includes patio slabs
- Additional rear light at patio door and additional exterior electrical outlet on basement level
- Relocated exterior or side water faucet to basement level
- Grade below the rear deck shall include additional exterior material (where applicable, as per elevation)

WARRANTY

LIV (Lake Couchiching Residence) LP is backed by the TARION Home Warranty Program Including:

- Complete Customer Service Program for One Full Year
- Two Year Warranty Protection against defects in workmanship and materials including:
 - Caulking for windows and doors preventing water penetration;
 - Electrical, plumbing, heating delivery and distribution systems;
 - Detachment, displacement or deterioration of exterior cladding; and all violations of the Ontario Building Code's Health and Safety Provisions
- Seven Year Warranty Protection against major structural defects (as defined in the TARION Warranties Plan Act) including:
 - A defect in workmanship and materials that results in the failure of a load bearing part of the home's structure, or
 - Any defect in workmanship of materials that adversely affects your use of the building as a home

* *Warranties are limited to the requirements established by the TARION Warranty Plan Act.*

Notwithstanding anything to the contrary set out in this Agreement, the Vendor shall have the right to construct the Dwelling at a grade level different than as depicted in the sales brochures, renderings and other plans and specifications previously reviewed by the Purchaser, necessitating a sunken floor area(s) within the Dwelling, a step or series of steps to or at the front door, side door, rear door, or any door from the garage to the interior of the Dwelling, or the inclusion of landings, decks and railings, and the Dwelling as so constructed is hereby irrevocably accepted by the Purchaser without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligation to construct the Dwelling. Furthermore, the Vendor shall have the right to substitute other products and materials for those listed in the Schedules, provided that the substituted products and materials are of quality equal to or better than the products and materials so listed or so provided. Marble, wood and all natural materials are subject to natural variations in colour and grain. Ceramic tile and broadloom are subject to pattern and shade variations.

AGREEMENT OF PURCHASE AND SALE

Schedule "C" Site Plan



AGREEMENT OF PURCHASE AND SALE

Schedule "D" Décor Centre

The Purchaser, having fully read this schedule, acknowledges and agrees on the following terms:

1. Three Stage Process

In order to build and personalize your home, our Décor Team will provide you with 3 appointments, as outlined below.

(i) First Appointment – Browsing Session (Your Vision)

This is the opportunity for Purchasers to become acquainted with the Décor Centre and familiarize themselves with standard selections and review options and ideas for the home.

(ii) Second Appointment – Rough-In Appointment (Your Essentials)

Some structural changes to the floor plans or elevations may require architectural changes to both construction drawings and drawings for building permits. These changes may be subject to additional costs and are at the Vendor's sole discretion. Other extras and options which do not alter the floor plan or elevation of the home will also be reviewed for consideration, such as electrical options, plumbing fixture options, stair options, etc. All rough-ins, selections, extras, and upgrade options must be finalized at this Appointment.

(iii) Third Appointment - Colours and Interior Finishes (Your Style)

The selections available to the Purchaser include those items listed on Schedule "A" of the Agreement of Purchase and Sale which provide the Purchaser with choices of colours and materials and other extra or upgraded items on display at the Décor Centre. All colours, selections, extras, and upgrade options must be finalized at this Appointment.

The 3 Appointments listed above are the Purchaser's only opportunity to choose and finalize selections for the home.

Appointment order and appointment combining are at the Vendor's sole discretion.

Purchased items may not be cancelled, added to, or altered, after selections have been finalized.

*Options Not Allowed

1. Any changes not allowed due to Architectural Control
2. Modifications of pre-approved architecturally controlled exterior colour packages
3. Relocation of furnace, hot water tank, or electrical panel
4. Work done by individuals not employed or contracted by the Vendor

2. Décor Centre Appointments

The Purchaser acknowledges that he/she is required to attend, at the Vendor's Decor Centre, as provided for in this Agreement in order to make certain interior colour and material selections respecting the Dwelling, as may be permitted by the Vendor in its sole discretion. The Vendor shall select an appointment date and time for the Purchaser to make the selections, and will use reasonable efforts to co-ordinate a mutually convenient date and time with the Purchaser, it being acknowledged by the Purchaser that the Decor Centre's hours of operation are as set out in paragraph 9 below. Each appointment shall not exceed three (3) hours in length. In the event that the Purchaser does not attend the appointment, or attends but for any reason whatsoever, fails to complete the selections by the Third Appointment (Colours and Interior Finishes), the Vendor may, in its sole discretion grant the Purchaser the right to rebook the appointment. In the event that the Vendor, in its sole discretion agrees to allow the Purchaser to attend at any additional appointments beyond the (3) appointments outlined above, any such additional appointments will be subject to an administrative fee of \$250.00 plus HST, per appointment, to be paid by the Purchaser to the Vendor as an adjustment in favour of the Vendor on Closing. At the additional appointment, if granted by the Vendor, in its sole discretion, the Purchaser agrees to confirm the Purchaser's selections by signing the Vendor's Amendment for colours, extras or options. Should the Purchaser refuse or neglect to attend the additional appointment, or, if granted by the Vendor in its sole discretion, or at the additional appointment, attends but refuses to confirm its selections by signing the Vendor's standard amendment for colours, materials or options, the Vendor may appoint a Décor Consultant to make the Purchaser's selections which shall be final and binding to the Purchaser in all respects and the Vendor shall install such selections in the Dwelling. The Purchaser hereby constitutes the Vendor as his/her lawful attorney to complete the Vendor's Amendment for colours, materials or options based on the selections made by the Décor Consultant, in such circumstances where the Vendor appoints such Décor Consultant and the Purchaser shall be bound by such standard Amendment for colours, materials or options as if he/she had executed same.

3. Appointment Cancellation Policy

Any changes or cancellations of a booked appointment must be requested a minimum of 48 business-day hours prior to the appointment by either email or phone. The Vendor, at its sole discretion, will charge an administrative fee of \$250 plus HST, per appointment, to be paid by the Purchaser to the Vendor, as an adjustment in favour of the Vendor on Closing, for any appointment that has not been changed or cancelled with a minimum 48 business-day hour notice.

4. Prices

An Options & Pricing Guide, if available, with detailed pricing will be emailed to the Purchaser at the time of booking the First Appointment. The Purchaser agrees and acknowledges that the Vendor does not guarantee any verbal quotes, estimates nor any items not specifically detailed in the delivered Guide. However, prices in the Vendor's Guide mailed to the Purchaser will be guaranteed until the completion of the scheduled Décor Centre appointments.

5. Credits

No credits will be provided to the Purchaser should the Purchaser request the deletion or substitution of any item included in the Purchase Price pursuant to this Agreement of Purchase and Sale, inclusive of those items detailed in Schedule A, if any.

6. Deposits

If in the Vendor's sole unfettered and absolute discretion extras or upgrades chosen by the Purchaser could affect the Vendor's ability to re-sell the Dwelling in the event of a default by the Purchaser, the Vendor will require that a deposit be paid on all files in which extras and upgrades chosen total more than \$50,000, exclusive of any Décor Dollars as listed in the Schedule X. Deposit cheques must be honoured. Should the Purchaser's deposit cheques be returned NSF, the Vendor will charge to the Purchaser an administration fee of \$250.00 plus HST per NSF deposit cheque, and upon not less than 7 days' prior notice, the Vendor may require the Purchaser to provide replacement cheques in certified form. Should the Purchaser fail to provide such certified replacement cheques with the said seven (7) day period, the Vendor may choose the colours and materials for the Purchaser in accordance with Paragraph 1 of the Schedule L.

7. Supply of Materials

The Purchaser acknowledges that the Vendor will supply all products or services for installation in the Dwelling prior to the Closing Date. The Vendor shall not accept any supplies or services from the Purchaser for installation in the Dwelling. Furthermore, should the Purchaser attend at the Land prior to the Closing Date and supply any products or services, the Vendor shall be entitled to remove and dispose of same at the Purchaser's cost and with no liability to the Vendor whatsoever.

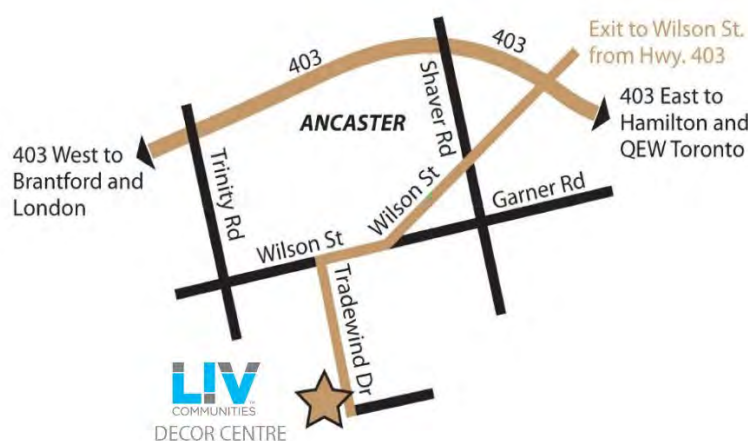
8. Changes/Extras

The Purchaser acknowledges that their choices and selections made at the Vendor's sales office or during the Décor Centre Final Appointment are firm and binding and at no time thereafter is the Vendor under any obligation to agree to any further requests for additional extras, deletions, or changes.

9. Décor Centre Hours

BY APPOINTMENT ONLY
Monday to Friday 9 am - 5 pm

10. Décor Centre Contact Information



**680 Tradewind Drive, Unit 1
Ancaster, ON L9G 4V5
P: 905-304-0471
E: decor@livhere.ca**

AGREEMENT OF PURCHASE AND SALE

Schedule "H" Health and Safety Policy

ACKNOWLEDGEMENT

While we realize that it is only natural to want to visit the site from time to time to check on the progress of your new home during construction, we must, nevertheless, advise you that this is against the laws of Ontario.

The Occupational Health and Safety Act requires that all visitors to a home under construction, even during the finishing stages, MUST be equipped with Hard Hats AND Safety Boots AND provide proof of current coverage with the Workmen's Compensation Board or Long Term Disability Insurance that will satisfy the Board.

The law makes no exceptions so neither can we!

Except in the circumstances where all of the above conditions have been satisfied and an appointment made with the Site Supervisor, we must therefore respectfully insist that you do not venture onto the Site beyond the street curb-line.

Thank you in advance for your cooperation.

We hereby agree to abide by the terms and conditions as stipulated herein and accordingly acknowledge receipt of same.

AGREEMENT OF PURCHASE AND SALE

Schedule "L" Terms and Conditions Single Family Detached Homes

CONSTRUCTION

1. The Purchaser shall make all necessary choices, including selections of colours and materials, from the Vendor's samples, in writing within the earlier of thirty (30) days after the removal of all conditions or acceptance of this Agreement by the Vendor or within forty-eight (48) hours after the Vendor's request and failing that making of such choices the Vendor shall be entitled to make such selections on behalf of the Purchaser. No changes will be permitted in colour or materials chosen by the Purchaser once selections have been finalized. The Purchaser shall be deemed to have accepted any of such items which may have been selected, completed or installed in the dwelling as of the date of execution of this Agreement;
2. The Purchaser understands and agrees that colour variances sometimes occur in the manufacture of finishing items and the Purchaser shall accept such colour variations resulting from the manufacturing process without any right of abatement of the purchase price and in full satisfaction of the Vendor's obligations herein;
3. The Purchaser acknowledges that engineering data in respect of the municipally-approved final grading requirements for the Real Property may not be completed or available to the Vendor at the time of executing this Agreement. In the event that this Agreement specifies that the Dwelling is to be built as a walk-out or look-out basement and it is not possible to construct the Dwelling in such a manner, the Purchaser shall be granted a credit on closing in the amount of \$24,200.00 (including HST) in the case of a walk-out basement and \$7,200.00 – \$14,200.00 (including HST) in the case of a look-out basement, dependent on the number of risers of the lookout condition. In the event that the final grading requirements cause the Dwelling to be built as a walk-out or look-out basement, and the charge for a walk-out or look-out basement was not included in the purchase price at the time of executing this agreement, the Purchaser shall be charged \$24,200.00 (including HST) for a walk-out basement and \$7,200.00 – \$14,200.00 (including HST) for a look-out basement, dependent on the number of risers of the lookout condition. This event shall in no way affect the validity or enforceability of this Agreement and all other terms and conditions shall remain in force;
4. Acceptance of construction, siting and grading by the Vendor shall conclusively constitute acceptance by the Purchaser. The Vendor shall have the right to make minor or necessary changes in plans, siting and specifications, provided there is no objection by the City. The Purchaser acknowledges that there may be minor dimension differences from the brochure, marketing materials, rendering, blueprint or plan(s) (herein called "Plans") based on framing or construction issues and that these are considered acceptable and the Purchaser agrees not to object to such minor changes. There may be drywall boxes, bulkheads, or channels that are not shown on the Plans to conceal heating ductwork, plumbing, or beams. The Purchaser acknowledges that the Vendor may use, draw or amend plans that demonstrate items that are available at an additional price. Any dimensions and details shown on the Plans are approximate only and Purchaser is not purchasing the dwelling on a per square foot basis and accordingly the Purchaser shall not be entitled to any abatement or refund of the Purchase Price should the precise area of the dwelling be less than shown on the Plans. The Vendor shall have the right to substitute materials for those described in the plans and/or specifications, provided that the quality is equal or better. The Purchaser shall have no claim against the Vendor regarding any such changes, variances, or modifications, nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete the sale notwithstanding any such modifications;
5. The Purchaser acknowledges that there may be a catch basin abutting, fronting, or at the rear of the Property and agrees not to make any objections in regard to its location;
6. The Purchaser acknowledges that as a result of a decision of a governmental authority, or for any other reason, the lot size, area, frontage or depth, location of the Property, or any other dimensions of the Property, may change or vary from what is specified in this agreement or in any brochures, drawings, plans, advertisements or other marketing materials, or from any statement made by the Vendor's representatives. The Purchaser agrees to accept such change or variation without any abatement of the Purchase Price and/or holdback of monies, and the Purchaser releases and discharges the Vendor from any liability arising therefrom;
7. In the event the Purchaser or any representative acting on behalf of the Purchaser makes any changes to the dwelling prior to taking possession, the Vendor shall, forthwith, remove such work and the Purchaser shall pay all costs the Vendor incurs associated with the installation and removal of the unauthorized changes, plus applicable HST, with such amounts being added to the statement of adjustments without further notice;

ASSIGNMENT

8. The purchaser covenants not to sell, list for sale, advertise for sale, entertain any offers to sell, nor assign the Purchaser's interest under this Agreement or in the Property, nor directly or indirectly permit any third party to list or advertise for sale the Property, at any time, on or before Closing.
9. The Purchaser shall not be entitled to assign this Agreement or any portion thereof without the prior written consent of the Vendor, which consent may be arbitrarily withheld. Unless the Vendor has previously consented to any assignment by the Purchaser in accordance with this Paragraph, the Vendor will not be required to comply with any Direction delivered to it on or before Closing purporting to direct the Vendor to convey the Property to any person, corporation or other entity other than the Purchaser as described in this Agreement. Any offering for sale, assignment, or attempted assignment including listing or advertising for sale, of this Agreement or the Property shall constitute a breach of this covenant.
10. The Purchaser acknowledges and agrees that the Vendor and each of its successors and assigns shall be entitled to assign this Agreement at any time, and from time to time, without the consent of or notice to the Purchaser, and in the event of any such assignment the Vendor and/or its successors and assigns executing such assignment shall be released from all obligations under this Agreement.

PURCHASER'S COVENANTS AND AGREEMENTS

11. The Purchaser consents to the Vendor collecting and possessing the Purchaser's "personal information" (as such term is defined in the Personal Information Protection and Electronic Documents Act, S.C. 2000, c.5) and other relevant and necessary information obtained by the Vendor pursuant to and necessary with the implementation of this Agreement. The Purchaser acknowledges and agrees that the aforesaid information is provided to the Vendor with the Purchaser's express knowledge and consent. In addition, the Purchaser(s) consents to the Vendor using, releasing and/or disclosing the Purchaser's name, address and phone number to:
 - a) a company or organization affiliated, associated or related to the Vendor, in order to provide the Purchaser with information relating to

- b) the projects of such entities;
 - c) any provider of utilities, services and/or commodities to the dwelling (including, without limitation, gas, electricity, water, telephone, cable and/or satellite T.V.) for the purpose of marketing, promoting and providing such utilities, services and/or commodities to the dwelling;
 - d) the Vendor's consultants and lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement;
 - e) the Vendor's trades and suppliers for the purpose of providing services or supplies for the dwelling;
 - f) The Purchaser also acknowledges and consents to the Purchaser's name and other relevant and necessary personal information remaining in the Vendor's file for the uses and purposes set out above;
12. When the Purchaser consists of two or more individuals, the signature of either or any of them shall be sufficient to bind the other(s) in respect of any orders for changes, colour and material selections and extras made to the Vendor, and the Purchasers shall be stopped from arguing that any such order signed by one of them is not binding on the others. In furtherance to the foregoing, each Purchaser hereby irrevocably appoints the other Purchaser(s) to be and act as their lawful attorney in the Purchaser's name, place and stead in order to execute such orders in accordance with the Substitutions Decision Act, 1992 (Ontario), as amended from time to time, and each of the Purchasers hereby confirm and agree that such Power of Attorney may exercise during any subsequent legal incapacity of the Purchaser granting same;
 13. The Purchaser shall not enter the Property to examine the dwelling prior to closing without the written consent of the Vendor and without being accompanied by the Vendor's authorized representative at the Purchaser's expense. The Vendor shall not be liable for injuries caused to or suffered by the Purchaser or any person accompanying the Purchaser while on or near the Property, or other lands in the subdivision, and the Purchaser shall indemnify and save harmless in respect of any claims resulting from entry or proximity;
 14. The Purchaser covenants and agrees to keep the subject matter of this transaction strictly confidential and not disclose to any third parties, except to the Purchaser's counsel or mortgage lender, the Tarion Warranty Corporation, or otherwise as required by law, and to refrain from harmful, damaging, or defamatory commentary publicly or in Social Media, including but not limited to Twitter, Facebook, Homestars, and Google, with respect to the behavior, business practices, or personal information of the Vendor or its' staff, the Real Property, or the Purchase Agreement.
 15. The Purchaser acknowledges that if warning clauses (pursuant to requirements by the Municipality) are not presently included in this Agreement that the Purchaser will be required to provide acceptance and sign-off of these clauses at the time of inclusion in the Agreement;
 16. In the event that the Purchaser fails to make the additional deposit(s) when due, interest on such overdue amount shall accrue at the rate of fifteen per cent (15%) from the date due until the date received, which interest shall be credited to the Vendor on closing;
 17. If the Purchaser is unable or unwilling to complete this transaction of Purchase and Sale on the closing date or extended closing date as determined by this Agreement and requests the Vendor for an extension of time which the Vendor agrees to, the Purchaser shall pay the Vendor on closing, unless waived by the Vendor, interest on the balance due on closing at a rate of fifteen per cent (15%) per annum for the time of the purchaser requested extension and any utility fees or charges accrued during the time of the purchaser requested extension. In the event the Purchaser is unable to complete this transaction of Purchase and Sale, for whatever reason, the Purchaser shall pay the Vendor interest on the balance due on the closing rate of fifteen percent (15%) per annum and any accrued utility fees or charges, from closing until the Vendor completes the resale of the property and/or to the date of recovery of any damages awarded to it by a court of law. The Purchaser acknowledges that any interest that may accrue is not a penalty.
 18. If the Purchaser is unable or unwilling to complete this transaction of Purchase and Sale on the closing date or extended closing date as determined by this Agreement, the Purchaser agrees that the Purchaser will pay to the Vendor all of expenses in enforcing the Vendor's rights under the Agreement of Purchase and Sale including any legal fees (on a full indemnity basis) and disbursements incurred by the Vendor in commencing any legal actions with respect to enforcing its rights under the Agreement of Purchase and Sale including but not limited to any claims for damages.
 19. It is understood and agreed that upon default by the Purchaser in any of his covenants or obligations set forth in this agreement, the Vendor shall have the right to declare this agreement terminated without further notice and, in addition to any other remedy, the deposit monies, together with all additional deposits, all monies paid for any extras or changes to the Property, shall be forfeited and retained by the Vendor without prejudice to or limiting the rights of the Vendor to claim for damages in excess of the deposit monies retained by the Vendor.
 20. The Purchaser shall pay the Vendor's Solicitor's fees in the amount of \$500 + HST for each letter or other form of notice sent to the Purchaser's solicitor relating to any default by the Purchaser.
 21. The Purchaser agrees that the Vendor may, at its option, declare this agreement to be terminated in the event that the Purchaser or anyone acting for or on behalf of the Purchaser, makes any adverse representation to the City in writing or otherwise with respect to the construction, siting or grading, prior to notification by the Vendor that the dwelling is ready for occupancy in accordance with the agreement;
 22. Notwithstanding closing, the Purchaser's covenants and agreements set forth herein shall not merge but shall survive closing;

VENDOR'S COVENANTS AND AGREEMENTS

23. The Vendor shall have the right, in its sole discretion, to construct the dwelling as shown in its sales brochures, marketing materials, renderings, plans, specification or as specified in the Agreement, on a reverse mirror image plan, including reversal of garage siting and the floor layout. Construction of a reverse mirror image is hereby irrevocably accepted by the Purchaser without any right of abatement of the Purchase Price and in full satisfaction of the Vendor's obligation to construct the dwelling;
24. The Vendor makes no representations as to the locations of street and/or traffic signs, hydro poles, fire hydrants, sidewalks, mailboxes, cable television boxes, telephone boxes, hydro vaults, manhole covers, or any other utility service within the subdivision;
25. The Vendor will install an asphalt driveway (herein known as "Driveway"). The Purchaser will not remove the Driveway until delivery of written notice from the Vendor that the Driveway has been inspected and meets the City's hard surface driveway apron approach requirements. The Purchaser agrees that in the event that the driveway has been removed after notice has been received from the Vendor the Purchaser shall within 7 days, replace the driveway with a hard surface that meets the City's requirements or the Vendor will have a new asphalt driveway installed and the Purchaser will pay all costs of the Vendor, plus applicable HST, on demand;
26. The Vendor agrees to plant a tree on the lot in accordance with City approved Street Tree Planting Plan and current City Policy. The Purchaser agrees to be responsible for maintenance of the tree once it is planted or after the date of closing, whichever is later. If the Vendor is required to replace any tree(s) as a result of the Purchaser's default hereunder, the Purchaser agrees to reimburse the Vendor for all cost associated with the replacement upon demand;

PERMITTED ENCUMBRANCES

27. The Purchaser accepts title to the Property subject to whatever rights, easements and agreements are required by the City or Municipality for sewers and/or water and/or Bell Telephone Company of Canada for telephone service and/or by the Corporation or commission supplying electricity and gas and/or by the Corporation for a T.V. transmission system and/or the appropriate conservation authority; and/or the Ministry of the Environment;
28. The Purchaser authorizes the Vendor, the subdivider, any Municipal or City authority, utility or service supplier, or their servants or agents, to enter upon the Property to inspect, repair, complete or rectify construction, grade, and undertake modification to surface draining, including installation of catch basins, or for any other purpose required by the subdivision agreements and the Purchaser further agrees to grant and execute any easement(s) for the installation and/or maintenance of City, municipal, utility or other services to the Property or adjacent properties, forthwith upon the Vendor's request, both before or after the closing. The transfer to the Purchaser may contain any or all of the foregoing covenants;
29. The Purchaser acknowledges and understands that there are continuing lot, block, unit, or severed parcel grading obligations and requirements;

COMPLETION

30. In the event that weather conditions do not permit the completion of exterior work, the Purchaser agrees to complete the transaction and pay the full balance due on closing upon receipt of the Vendor's undertaking to complete the work when weather conditions permit. Notwithstanding the completion of the transaction, the Purchaser agrees that the Vendor or its duly authorized agents may enter upon the Property in order to finish exterior house or lot work, landscaping, grading operations, or site works, which include, but are not limited to: decks, curbs, sidewalks, utility services, top coat street asphalt or other related works; when in the Vendor's opinion the weather permits;

ADJUSTMENTS

31. The parties acknowledge that any applicable land transfer tax, and any HST applicable to any chattels being conveyed to the Purchaser along with the Property, are not included in the Purchase Price, and both are the Purchaser's responsibility for payment. The Purchaser shall reimburse the Vendor on the Title Closing Date for any new levies or any increase in levies imposed by any governmental authority following the date of acceptance hereof, including, without limitation, any additional levies incurred pursuant to the Development Charges Act (Ontario) R.S.O. 1990 and any amendment thereto;
32. Realty taxes (including local improvement charges) shall be estimated by the Vendor for the calendar year in which the transaction is completed, and shall be adjusted as if such has been paid by the Vendor notwithstanding that the sum may not, by the date of closing, have been paid; subject, however, to readjustment upon the actual amount of such taxes being ascertained;
33. It is understood and agreed that the dwelling shall include a hot water tank on a rental basis and that the Purchaser will pay the usual monthly rental charges thereon and will sign all necessary documents with regard thereto. The Purchaser agrees to assume immediately on closing, usage charges for hydro, water, and gas, as well as connection and installation charges, plus applicable HST, and the Vendor may recover any payments therefor from the Purchaser. The Purchaser shall pay, or reimburse the Vendor \$2,000 + HST for the cost of, or the charge made for, installation and connection of the utility meter(s).
34. The Purchaser shall pay, or reimburse the Vendor on the closing date, for the transaction levy imposed upon the Vendor or its solicitors by the Law Society of Upper Canada plus applicable HST, and such costs shall be added to the Purchase Price on closing;
35. The Purchaser shall pay or reimburse the Vendor on the closing date, an administrative fee of \$500 for any cheque delivered to the Vendor which is returned NSF or for which payment has been stopped;
36. The Purchaser shall pay, or reimburse the Vendor on the closing date, \$650 + HST for subdivision esthetic enhancement, such as boulevard treatment or improvement, or landscaping, trees, or subdivision entrance features, or corner lot fencing, or fences or retaining walls, in the subdivision.
37. The Purchaser shall pay, or reimburse the Vendor on the closing date, \$1,300 + HST, for the top-coat of driveway asphalt.
38. The Purchaser agrees to pay a security deposit of \$1,500 to the Vendor at closing, which shall be held until final registration and assumption of the subdivision and may be used by the Vendor to correct any alteration to grading, damages to utility boxes or curb, or any other items that are preventing the Vendor from obtaining certification, which may occur on the Purchaser's property within this time period. Otherwise, the deposit shall be returned without interest or deduction.
39. The Purchaser agrees to reimburse the Vendor on closing adjustments for the enrollment fee under the Tarion Warranty Program, as well as the regulatory oversight fee collected by the Home Construction Regulatory Authority (the "HCRA") and such other fees collected by Tarion and/or the HCRA in respect of the dwelling (together with any provincial or federal taxes exigible with respect thereto, and such costs shall be added to the Purchase Price on closing. The Vendor hereby warrants that the dwelling is enrolled with Tarion. The Purchaser covenants and agrees to attend at the dwelling during the Vendor's normal business hours, prior to closing, and to complete an inspection of the dwelling in the presence of the Vendor's authorized representative and to complete and execute at the time of such inspection the "CERTIFICATE OF COMPLETION AND POSSESSION": (hereinafter called 'Completion Certificate'), which Completion Certificate shall contain a list of any items remaining to be completed at the dwelling. In the event that the Purchaser fails to execute the Completion Certificate prior to the closing date, the Vendor may, at its option, declare the Purchaser to be in default under this agreement and exercise any or all of its remedies set forth herein or at law. The Purchaser acknowledges that the Completion Certificate shall constitute the Vendor's only undertaking to complete the dwelling and no further undertaking shall be delivered on closing or otherwise. The Purchaser further agrees that the Vendor or its representatives shall have the right to enter upon the Property and dwelling after closing, if necessary, in order to complete such items as are included in the Completion Certificate. The Vendor shall complete items contained in the Completion Certificate as soon as possible after execution of same subject to weather conditions and availability of materials and trades;
40. The Purchaser shall pay the Vendor, on or before closing, for all extras or charges specifically ordered by the Purchaser, plus applicable HST, and shall pay such amounts forthwith upon demand if this transaction is not completed for any reason whatsoever. Included in the Purchase Price are the items and features listed on Schedule "A", which is attached hereto and forms a part of this agreement. It is understood and agreed that certain items in the model homes are for display purposes only and are not included in the Purchase Price unless specifically set out in Schedule "A" attached hereto. It is further agreed that some items and finishing details shown on any artist's renderings, brochures, architectural drawings, plans or renderings, including but not limited to, landscaping, trees and vegetation, brick details, siding details, stucco details, window grills, and window configurations may be optional extras that are not included in the purchase price. If any extras, options or upgrades ordered by the Purchaser are not supplied for any reason whatsoever, the Vendor shall credit to the Purchaser in the statement of adjustments upon closing, or by cheque if the missing items(s) are discovered after closing, the amount paid by the Purchaser

41. in connection with such extras plus applicable HST, and the Purchaser acknowledges that the Vendor's liability with respect to such extras
42. shall be limited to the credit of the amounts referred to aforesaid and, upon such credit or payment being given, the Vendor shall be released from any and all obligations, claims or demands whatsoever with respect thereto;
43. The Purchaser is to pay in advance for the extras ordered, plus applicable HST, and acknowledges and agrees that such payment shall be non-refundable in the event that the transaction is not completed for any reason whatsoever. In the event the Purchaser neglects to advise the Vendor forthwith upon request as to the Purchaser's selection of finishing specifications or, orders and extras, upgrades in interior finishing's or performs any work in or about the dwelling unit which causes delay in the Vendor's construction operations, the Purchaser agrees to complete this transaction on the closing date herein set out without hold back of any part of the Purchase Price, even though the Vendor may have outstanding work to complete;

HST

44. The Purchaser and Vendor acknowledge and agree that the Purchase Price is inclusive of the harmonized Sales Tax and if applicable, the Federal Goods and Services Tax and Provincial Sales Tax (collectively, the "HST") and that the actual consideration for the Property, exclusive of extras, changes, upgrades, or adjustments, as herein provided, is the amount derived by subtracting the HST payable herein (less all refunds, credits, and rebates, if any, including, without limitation, the HST new housing rebate and if applicable, the GST New Housing Rebate and the RST Transitional New Housing Rebate (the "Consideration").

HST REBATE

45. In consideration of the Purchase Price being inclusive of HST, the Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights he may have on Closing or thereafter to any rebates, refunds or credits available with respect to this transaction pursuant to the applicable HST legislation, including without limitation, if the Purchaser qualifies for it, the HST New Housing Rebate, the GST New Housing Rebate, and the RST Transitional New Housing Rebate, or any other rebates, refunds or credits of or pertaining to HST (the "Rebate"). If the Purchaser qualifies for the Rebate, and if the Rebate is available for the transaction contemplated herein, the Purchaser acknowledges having received credit for the amount of the Rebate in the calculation of the Purchase Price, and having assigned the Rebate to and in favour of the Vendor, and directs the Vendor to so indicate in any documentation pertaining to the Rebate.
46. Subject to Section 41 below, the Purchaser covenants and agrees that he shall forthwith following the completion of this transaction, personally occupy the Property or cause one or more of his relations (related by blood, marriage, or adoption within the meaning of the applicable Federal or Provincial legislation, to occupy the Property as his or their primary place of residence for such period of time as shall be required in order to entitle the Purchaser to the Rebate.
47. Subject to Section 42 below, the Purchaser covenants and agrees to execute and deliver to the Vendor, on or before Closing, all applications, assignments, authorizations, directions, statutory declarations, forms and other such documents as the Vendor or its solicitors shall request, from time to time, in order to verify entitlement to the Rebate and to effect the proper assignment thereof to the Vendor, including without limitation, compliance with the Purchaser's covenants contained in Sections 39 and 40 hereof.
48. In the event that the Purchaser shall for any reason fail to qualify for the Rebate as assigned to the Vendor, the Purchaser shall indemnify and hold the Vendor harmless in the amount that the Purchaser would have been entitled to had he so qualified for the Rebate and shall pay such amount to the Vendor forthwith upon written demand for same and the Purchaser agrees that the Vendor shall be entitled to a Vendor's lien, which shall be registered against title to the Property in an amount equal to the Rebate. In addition, in the event that the failure of the Purchaser to qualify for the Rebate is disclosed by the Purchaser to the Vendor on or before Closing, or in the event that the Purchaser fails to provide evidence satisfactory to the Vendor in its sole and unfettered discretion, confirming the Purchaser's entitlement of the rebate, the Vendor shall be credited on the statement of adjustments, on Closing, as determined by the Vendor, with an amount equal to the Rebate, had the Purchaser qualified for same and the Purchaser shall be relieved of his covenant under Section 39 hereof.
49. If the Vendor believes for whatever reason that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, and the Vendor's belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before Closing, then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obliged to pay the Vendor (or to whomsoever the Vendor may in writing direct), by certified cheque delivered on Closing, an amount equivalent to the Rebate, in addition to the outstanding balance of the Purchase Price, and in those circumstances where the Purchaser maintains that he or she is eligible for the Rebate, despite the Vendor's belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebate as aforesaid) be fully entitled to file the necessary rebate forms directly with, and pursue the Rebate directly from, Canada Revenue Agency.
50. Notwithstanding any other provision herein contained, the Purchase acknowledges and agrees that the Purchase Price does not include HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or any extras, changes or upgrades to the Property agreed upon by the Vendor and Purchaser following the acceptance by the Vendor of this Agreement, and the Purchaser shall be responsible for payment of HST for such extras, changes or upgrades in accordance with the applicable HST legislation. In addition, and without limiting the generality of the foregoing, in the event that the Purchase Price is increased by the addition of extras, changes, upgrades, in accordance with the applicable HST legislation. In addition, and without limiting the generality of the foregoing, in the event that the Purchase Price is increased by the addition of extras, changes, upgrades or adjustments and as a result of such increase, the quantum of the Rebate that would otherwise be available is reduced or extinguished (the quantum of such reduction being hereinafter referred to as the "Reduction"), then the Purchaser shall pay to the vendor on Closing (as determined by the Vendor in its sole and unfettered discretion), the Reduction.

CLOSING

51. The Purchaser agrees that keys will be released to the Purchaser at the construction site upon completion of this transaction, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser;

52. The Purchaser agrees to accept a transfer of title to the Property directly from the registered owner thereof, and to accept such owner's title covenants in lieu of the Vendor's title covenants, in the event that the Vendor is not the registered owner of the Property on closing and the Purchaser shall not be entitled to request or receive any further documentation save for the transfer in registerable form on closing and any further documents contemplated by this Agreement;
- a) It is agreed between the parties hereto that there is to be constructed and completed upon the Property a dwelling as set out in this Agreement. The dwelling shall be deemed to be completed when in the Vendor's sole opinion all interior work has been substantially completed and the Purchaser agrees in such case to close the transaction, without hold back of any part of the purchase price, on the Vendor's completion of a Completion Certificate and the Purchaser will accept the Vendor's covenant of indemnity regarding lien claims which are the responsibility of the Vendor, its trade, and/or suppliers in full satisfaction of the Purchaser's rights under the Construction Lien Act (Ontario) and will not claim any lien hold back on closing;
 - b) The Property shall be and remain at the risk of the Vendor until closing and pending completion of the sale, the Vendor will hold back all insurance policies and the proceeds thereof in trust for the parties as their interest may appear, and in the event of damage to or destruction of the dwelling. The Vendor may at its absolute discretion decide whether it will rebuild or repair such damage or terminate this agreement and upon returning to the Purchaser the deposit without interest, the Vendor's liability will be at an end;
 - c) Subject to the foregoing provisions of this agreement, if the dwelling is not completed on or before the original or extended date of closing or if the dwelling type cannot be sited or built on the lot in accordance with the City, the Vendor may, subject to the provisions of the ONTARIO NEW HOMES WARRANTIES ACT, cancel this Agreement and the Purchaser shall be entitled to the return of the deposits, without interest, and in no event shall the Vendor be responsible to the Purchaser for damages in any amount whatsoever;
 - d) Failure of the Vendor to exercise any of its rights under this Agreement at any time or times shall not act as a waiver of such rights. Provided the title is good and free from all encumbrances, except as aforesaid, and except as to any registered easements, restrictions or covenants that run with the land, the Purchaser is not to call for the production of any title deed, abstract survey or other evidence of title except such as are in the possession of the Vendor and the Purchaser shall satisfy himself that the dwelling may be occupied in accordance with City requirements. The Purchaser is to be allowed thirty (30) days after the date of acceptance hereof, to examine the title at his own expense. If within that time any valid objection to title is made in writing to the Vendor which the Vendor shall be unwilling or unable to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intermediate acts or negotiations in respect of such objections be null and void and the deposit(s) shall be returned by the Vendor (except for the Purchaser's obligations for extras or changes) without interest and the Vendor shall not be liable for any costs or damages whatsoever. Save as to any valid objection so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Property. This transaction of Purchase and Sale is to be completed on or before the tentative closing date as set out on the front page of this Agreement at which time vacant possession of the Property is to be given to the Purchaser unless otherwise provided herein (the "First Tentative Closing Date" or "Closing Date"). It is understood and agreed that the First Tentative Closing Date is subject to the provisions of the ONTARIO NEW HOME WARRANTIES ACT as set out in the Addendum to this Agreement attached as Appendix "N" hereto. Mortgage interest, taxes, local improvements, fuel, water and assessment rates to be apportioned and allowed to the aforementioned date fixed for completion of sale. (The day of closing being the Purchaser's responsibility); in the event that there are charges/mortgages registered against the title to the Property, which the Purchaser is not assuming, the Purchaser agrees to accept the Vendor's lawyer's undertaking to obtain and register a proper discharge of the charge/mortgage within a reasonable time after closing in full satisfaction of the Vendor's obligation to convey the Property free of any outstanding charges/mortgages. In the event that the Vendor has contracted to purchase the title of the Property from the subdivider and, through no fault of the Vendor, the Vendor is unable to complete the purchase of title, then the Vendor may terminate this agreement and all deposit monies shall be returned to the Purchaser forthwith without interest or deduction and the parties hereto shall be relieved of any further liability or obligation hereunder;
 - e) This Offer, when accepted shall constitute a binding contract of Purchase and Sale and time shall in all respects be of the essence hereof. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Property or supported hereby, except as set forth herein in writing. The transfer is to be prepared at the Vendor's expense and may contain any one or more of the provisions set forth above and shall, if so required by the Vendor, be executed by the Purchaser on behalf of himself, his heirs, executors, administrators, successors and assigns. This Agreement is conditional upon compliance with the requirements of Section 50 of the Planning Act (Ontario), as amended, which compliance shall be obtained by the Vendor at its sole expense on or before closing;
 - f) In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted herefrom and shall not be deemed to affect the enforceability or validity of the balance of the Agreement of Purchase and Sale;
 - g) Any tender of documents or monies hereunder may be made respectively upon the Vendor or the Purchaser, or upon their respective solicitors, and money shall be tendered by negotiable cheque certified by a chartered bank or trust company or a bank draft. Such tender shall be made on the Closing Date by the attendance of the parties hereto or their respective solicitors at the appropriate Land Registry Office where any Transfer/Deed of the Unit must be registered, and in the absence of an appointment to the contrary, after 3:00 pm in the afternoon of such day. In the event that the Purchaser or his or her solicitor does not attend at such time, and the Vendor, its solicitor or its agent is in attendance at such time, then the Purchaser shall be deemed for all purposes to have waived tender by the Vendor, and the Purchaser shall be estopped and forever barred from claiming any defect in the title to the Property, or any deficiency in the construction thereof, or that the Vendor was unable or unwilling to complete this transaction in accordance with the provisions of this Agreement;
 - h) In the event that the electronic registration system (hereinafter referred to as the Teraview Electronic Registration system or "TERS") is operative in the applicable Land Titles Office in which the Lands are registered, then, at the sole option of the Vendor, the following provision shall prevail, namely:
 - i) The Purchaser shall be obliged to retain a lawyer, who is both an authorized TERS user and in good standing with the Law Society of Upper Canada, to represent the Purchaser in connection with the completion of this transaction, and shall authorize such lawyer to enter into an escrow closing agreement with the Vendor's solicitor in the form appearing on the Law Society of Upper Canada's web site (hereinafter referred to as the "Document Registration Agreement"), establishing the procedures and timing for completing this transaction, and to be delivered by the Vendor's solicitor to the Purchaser's lawyer no later than two (2) days before the Closing date;
 - ii) The delivery and exchange of documents and monies pertaining to this transaction, and the release thereof to the Vendor and the Purchaser, as the case may be:
 - (1) shall not occur contemporaneously with the registration of the transfer/deed (and other registerable documentation) and,

- (2) shall be governed by the Document Registration Agreement, pursuant to which the solicitor receiving any documents and/or certified funds will be required to hold same in escrow, and will not be entitled to release same except with the provisions of the Document Registration Agreement;
- iii) If the Purchaser's lawyer is unwilling or unable to complete the transaction by TERS in accordance within the Provisions contemplated under the Document Registration Agreement, then said lawyer (of the authorized agent thereof) shall be obliged to personally attend at the office of the Vendor's solicitor's at such time on the Scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon in order to complete this transaction by TERS utilizing the computer facilities in the Vendor's solicitor's office;
- iv) The Purchaser expressly acknowledges and agrees that he/she will not be entitled to receive the transfer/deed to the Property for registration until the balance of the funds due on closing, in accordance with the statement of adjustments, are paid to the Vendor's
- v) solicitor, either by personal delivery of a certified cheque or bank draft or by electronic funds transfer (or such other manner as the Vendor's solicitor may direct);
- vi) Each of the parties hereto agrees that the delivery of any documents which are not intended for registration on title to the Property may be delivered to the other party hereto by telefax transmission (or by a similar system reproducing the original), provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The party transmitting any such documents shall also deliver the originals of same to the recipient party by overnight courier sent the day of closing;
- vii) Notwithstanding anything contained in this agreement to the contrary, it is expressly understood 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:
 - (1) delivered all closing documents and funds to the Purchaser's solicitor in accordance with the provision of the Document Registration Agreement;
 - (2) 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 provision of this Agreement; and
 - (3) has completed all steps required by TERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor, and specifically when the completeness signatory for the transfer/deed has been electronically signed by the Vendor's solicitor, without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents and/or funds and without any requirement to have an independent witness evidencing the foregoing.

TITLE

- 53. The Purchaser accepts title to the Property subject to the building or other restrictions and subdivision, development, site control and other agreements thereon and agrees to observe and comply with the said agreements and restrictions and if required will sign the Transfer herein indicating such consent. The Purchaser agrees that the Vendor shall not be required on closing or thereafter to obtain releases of such subdivision, development, site control or other agreements provided that same have been complied with as of date of closing. The Purchaser is to satisfy itself as to compliance.
- 54. The Purchaser shall advise the Vendor's solicitor forthwith how title will be taken.

AFTER CLOSING

- 55. The Purchaser shall not have any property or items on the premises prior to closing. The Vendor will not be responsible for loss or damage to fixtures, appliances or any other property of the Purchaser left on the premises prior to closing;
- 56. The Purchaser agrees not to finish the whole or part of the basement of the dwelling for a period of twenty-four months after the closing date. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of damage of basement improvements and chattels stored in basement resulting from water seepage, leaks, or any sort of water damage whatsoever;
- 57. The Purchaser acknowledges and agrees that if any company or individual other than the company that installed the garage door installs a garage door opener then the warranty on the garage door shall become void and at that point the Purchaser assumes responsibility for any repairs;
- 58. The Purchaser agrees to be responsible to ensure that the water shut off valve "water box or water barrel" is functioning at all times, is not buried, is set at ground level at a position acceptable to the City, and is accessible. The Purchaser is responsible to ensure if the Purchaser installs a new driveway, the water shut-off valve is tested both before and after the installation;
- 59. The Purchaser will not change, interfere with or alter the grades, elevations or levels of the Property or rear or side lot swales, as approved by the City, in any way which would affect the approved drainage pattern and any such change, interference or alteration may be corrected by the Vendor at the Purchaser's expense and the Purchaser agrees to make payment upon demand. With respect to the Property, the Purchaser will not erect any external television antenna, nor cut down or remove any living tree nor damage any of the services;
- 60. The Purchaser agrees not to construct any accessory building, any addition to an existing building, a pool or pool enclosure, a fence, any permanent hard surface, walkway, or driveway, install or alter any landscaping, or alter any exterior lot work completed by the Vendor until the Vendor has received written approval of grading from the City and the Purchaser is informed by the Vendor in writing that the grading has been approved;
- 61. The Purchaser agrees to be solely responsible for watering and general maintenance of sod from the date of closing or from the date the sod is laid, whichever shall be later, and the Vendor shall have no obligations in that regard whatsoever. If the Vendor is required to replace any sod as a result of the Purchaser's default hereunder, the Purchaser agrees to reimburse the Vendor for all costs associated with the replacement or repair forthwith after demand for reimbursement is delivered to the Purchaser. The Purchaser agrees to be solely responsible for any settling of soils after the final grading has been approved or after the closing date, whichever is later;
- 62. The Purchaser acknowledges and agrees that lot grading, sod, driveway, any landscaping or related works will be completed after site works have been completed to the satisfaction of the City, Municipality or other required authority. Site works include, but are not limited to: curbs, sidewalks, utility services, top coat street asphalt or other related works;
- 63. The Purchaser shall reimburse the Vendor for the cost, or any amount that the Vendor may be obliged to pay, plus applicable HST, for damage caused by the Purchaser or by those for whom the Purchaser is in law responsible, to any services installed in the subdivision, including, but not limited to, survey stakes, landscaping, water shut-off valves, curbs, curb cuts, streets, roads, sidewalks, walkways, street signs, street lighting, sanitary and storm sewers, or any services installed by or on behalf of any public or private utility;

DEFINITIONS

64. "Addendum" means the Tarion Addendum (Schedule "T") attached to and forming part of this Agreement of Purchase and Sale.
65. "Approving Authority" has the meaning ascribed to it in Schedule "A" of the Addendum
66. "Business Day" has the meaning ascribed to it in Section 1 of the Addendum
67. "Close" and "Closing" have the meanings ascribed to them in Section 1 of the Addendum
68. "Delayed Closing Date" has the meaning ascribed to it in Section 1 of the Addendum
69. "Developer" means any predecessor in title to the Land who has obligations to the Approving Authority for subdivision or servicing of the Land.
70. "Document Registration Agreement" has the meaning ascribed to it in Section 44(h)i) hereof.
71. "Firm Closing Date" has the meaning ascribed to it in Section 1 of the Addendum.
72. "HST" has the meaning ascribed to it in Section 36 hereof.
73. "GST Act" has the meaning ascribed to it in Section 36 hereof.
74. "Land Registry Office" means the Land Registry Office for the Land Titles Division in which the Land is recorded and registered.
75. "Purchaser's Solicitor" shall be the firm identified as such on the 2nd page of this agreement.
76. "Rebate" has the meaning ascribed to it in Section 37 hereof.
77. "Tarion" means Tarion Warranty Corporation and its successors and assigns.
78. "TERS" has the meaning ascribed to it in Section 44(h) hereof.
79. "Unavoidable Delay" has the meaning ascribed to it in Section 1 of the Addendum.
80. "Vendor's Solicitor" shall be the firm identified as such on the 2nd page of this agreement.

This offer and its acceptance are to be read with all changes of gender or number required by the context.

AGREEMENT OF PURCHASE AND SALE

Schedule "P" Access to and Park Membership for Serenity Bay Lake Club

The Purchaser(s) acknowledge and agree as follows:

The Park is located at 3504 Grayshott Drive, Orillia, and includes gated access along Grayshott Drive, a playground structure, floating dock and picnic tables.

The Park will be owned by a not-for-profit corporation, which is anticipated to be known as Serenity Bay Lake Club (the "Club"). In order to become a member of the Club, one must be the registered owner of a property within the proposed plan of subdivision (the "Subdivision") within which the property (the "Property") referred to in the Agreement of Purchase and Sale to which this Schedule is appended is located. Access to the Park shall, at all times, be restricted to members of the Club and their invited guests.

Upon completion of the purchase of the Property, the Purchaser(s) hereby agree to execute such documents as may be required by the Vendor and its solicitor in order to join the membership of the Club and to use the Park. There shall be no additional costs or charges relating to joining the membership on closing.

Important information about the Park and Membership:

- Members of the Club will enjoy seasonal (late spring, summer and early fall) use and enjoyment of the Park pursuant to a Club Membership Agreement;
- Upon opening of the Park, a property manager will be engaged to manage all required maintenance and repair obligations relating to the Park, to collect fees and to manage all costs and payments associated with the Park;
- LIV (Lake Couchiching Residence) LP ("LIV") will contribute \$271,500 Dollars to the Club in order to cover anticipated costs associated with the ongoing repair, maintenance, property management, insurance and taxes relating to the Park for the time period immediately following the opening of the Park. It is currently anticipated that such contribution will cover minimum costs relating to the Park for approximately 5 years. So long as LIV's contribution covers ongoing costs, Purchasers will not be required to pay the membership fee outlined below;
- It is anticipated that the Park will be open for use by members during the first year of full occupancy of dwellings within the Subdivision;
- Following the first 5 years, (or sooner should funds be required) the Club shall assume all ongoing obligations relating to the Park and, in order to continue to access and use of the Park, members will be required to pay a membership fee in order to support the ongoing costs relating to the Park. At this time, it is anticipated that this yearly fee will be approximately \$300/per dwelling;
- In the event of a sale or transfer of a property within the Subdivision, the transferor will no longer be entitled to remain as a member of the Club. The transferee/new owner will be entitled to become a member of the Club, subject to execution of any necessary documentation required by the Club;
- The Park is or will be subject to restrictive covenants registered on title, which will restrict the use of the Park to parkland;
- Members of the Club will have certain statutory rights including rights to vote, attend meetings, elect directors to the board, and receive financial statements.

**Freehold Form
(Tentative Closing Date)**

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

VENDOR

Full Name(s)

PURCHASER

Full Name(s)

1. Critical Dates

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

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

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

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

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

2. Notice Period for a Delay of Closing

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

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

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

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

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

3. Purchaser's Termination Period

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

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

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

Acknowledged this ____ day of _____, 20____.

VENDOR: _____

PURCHASER: _____

**Freehold Form
(Tentative Closing Date)**

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

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

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

The Vendor shall complete all blanks set out below.

VENDOR

Full Name(s)			
_____		_____	
HCRA Licence Number		Address	
_____		_____	
Phone	City	Province	Postal Code
_____	_____	_____	_____
Fax	Email*		
_____	_____		

PURCHASER

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

PROPERTY DESCRIPTION

Municipal Address			
_____		_____	
City		Province	
_____		Postal Code	
Short Legal Description		_____	
_____		_____	

Number of Homes in the Freehold Project _____ (if applicable – see Schedule A)

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

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

If yes, the nature of the confirmation is as follows: _____

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

- (c) A building permit has been issued for the Property. Yes No
- (d) Commencement of Construction: has occurred; or is expected to occur by the ____ day of _____, 20__.

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

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

Freehold Form (Tentative Closing Date)

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

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

2. Changing the Firm Closing Date – Three Ways

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

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

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

4. Changing Critical Dates – By Mutual Agreement

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

Freehold Form (Tentative Closing Date)

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

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

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

5. Extending Dates – Due to Unavoidable Delay

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

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

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

**Freehold Form
(Tentative Closing Date)**

Condition #1 (if applicable)

Description of the Early Termination Condition:

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

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

Condition #2 (if applicable)

Description of the Early Termination Condition:

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

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

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

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

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

Freehold Form (Tentative Closing Date)

MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

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

8. Adjustments to Purchase Price

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

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

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

Freehold Form (Tentative Closing Date)

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

10. Termination of the Purchase Agreement

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

11. Refund of Monies Paid on Termination

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

12. Definitions

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

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

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

Freehold Form (Tentative Closing Date)

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

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

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

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

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

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

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

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

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

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

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

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

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

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

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

**Freehold Form
(Tentative Closing Date)**

15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

**Freehold Form
(Tentative Closing Date)**

SCHEDULE A

Types of Permitted Early Termination Conditions

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

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

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

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

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

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

2. The following definitions apply in this Schedule:

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

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

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

3. Each condition must:

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

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

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

**Freehold Form
(Tentative Closing Date)**

SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

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

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

**Freehold Form
(Tentative Closing Date)**

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

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

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

AGREEMENT OF PURCHASE AND SALE

Schedule "W" Warning Clauses

1. The Purchaser acknowledges that there may be curbs and sidewalks on both sides of municipal roads in accordance with the requirements of the Township of Severn;
2. Purchasers are advised that no alteration of the drainage plan for the property or surrounding properties is permitted without the express written approval of the Township of Severn;
3. Purchasers are advised that on-street parking may be limited in terms of location and duration;
4. Purchasers are advised that grading of lots may require the use of retaining walls. All future maintenance and repair of retaining walls on individual lots shall be the responsibility of the purchaser;
5. Any retaining walls including their granular base foundation support, drainage pipes and fencing must be located completely within private property and property owners will own the walls and have full responsibility for the required maintenance, repair or replacement of the retaining walls.
6. Purchasers are advised that there shall not be any gates or informal access points in/through fences backing onto the Open Space Blocks or Park Blocks;
7. Purchasers are advised that bussing may be required to transport children from within this subdivision to elementary and secondary schools;
8. Purchasers are advised that door to door Postal Service will not be available within this development and that the Purchaser's mail will be delivered to a Centralized Community Mailbox located in the vicinity of the development, the exact location of which has not yet been determined.
9. Purchasers / tenants are advised that the developers/owners shall be responsible for officially notifying the purchasers of the exact Centralized Mailbox locations prior to the closing of any home sales.
10. The Purchaser acknowledges that this property will have a Subdivision Agreement registered on title. The Owner shall be bound by this agreement, more specifically with the requirements to comply with grading and drainage requirement of the Township of Severn.
11. Purchasers are advised that their lot may contain one or more utility boxes and/or a catch basin and that the locations of these items are fixed and cannot be altered by the builder.
12. The Purchasers acknowledge that there may be a rear yard catch basin or drainage swale associated with a rear yard catch basin within the said lot or block and that the owner of the lot or block with a rear yard catch basin or drainage swale is responsible for the operation and maintenance of the rear yard catchbasin or drainage swale on that lot or block and that the owner agrees not to interfere, alter, change or remove the catch basin or its connection to the Township main sewer.
13. Purchasers are advised that the Orillia Gun Club is located at RR 3 Stn Main, Orillia, ON L3V 6H3
14. Township of Severn Tenants are advised that due to high groundwater levels within this area, the construction of swimming pools and accessory structures may be prohibited or may require extraordinary or unusual engineering; further, the discharge of chemically treated water into the sensitive natural heritage features may be prohibited.
15. The Vendor under this Agreement reserves the right, notwithstanding completion of the sale, to enter upon the lot or block sold for a period of one (1) year after the completion of the sale, or until expiration of the maintenance period for the work specified in the Subdivision Agreement, to be entered into by the Vendor with the City, (the "Works"), whichever date is later, to alter the grading of the lands to comply with the grading specifications approved by the Director of Building Services for the Township of Severn with respect to the said lot or block.
16. Garages provided are intended for use as parking. It is the responsibility of the owner/tenant to ensure that their parking needs (including those of visitors) can be accommodated on site.
17. It is the responsibility of the property owner/tenant to ensure that the parking provided on site is sufficient for his/her needs. Parking in the surrounding neighbourhood may be restrictive.
18. Purchasers are advised that temporary roads and/or turnarounds will be either removed or extended, as the case may be, in the future when development of adjacent lands proceeds
19. Purchasers are advised that each lot and block within the plan is subject to a municipal property tax assessment and the owner of such lot or block shall, upon completion of assessment by the Township, receive a notice for payment of municipal property tax back to the time of registration of the lot or block.
20. Purchasers are advised that each lot and block within the plan may require a sump pump.
21. Purchasers are advised that each lot and block maybe subject to easements for Hydro Vault Concrete Slab Transformer
22. Purchasers are advised that each lot or block maybe subject to easements for the purpose of catch basin or storm water management.
23. Prospective purchasers are advised that the public schools on designated sites in the community is not guaranteed Attendance at schools in the area yet to be constructed is also not guaranteed. Pupils may be accommodated in temporary facilities and/or be directed to facilities outside of the area.
24. Prospective purchasers are advised that school buses will not enter cul-de-sacs and that pick-up points will generally be located on through streets convenient to the Board. Pick-up points will not be located within the Subdivision until major construction activity has been completed.
25. Prospective purchasers are advised that pupils from this development attending educational facilities operated by the Simcoe Muskoka Catholic District School Board may be transported to or accommodated in temporary facilities located outside of the neighbourhood school's area.
26. Community Mailboxes are located at Seabridge Street Side yard of lot 32, Side yard of Block 79, Side yard Lot 108 and Side yard of Lot 66
27. Purchasers of townhouse dwelling units are hereby advised that rear yard access may be entirely through the habitable portion of the dwelling unit or via easement(s) with associated restrictions (e.g., fencing).

AGREEMENT OF PURCHASE AND SALE

(Serenity Bay Phase 1)

PURCHASER(S):

(singularly or collectively referred to as the "Purchaser"), hereby agree(s) to and with LIV (Lake Couchiching Residence) LP (the "Vendor") to purchase the Property described below on the following terms and to pay the following monies as hereinafter specified:

Lot#: ___ Phase: ___ Address: ___ in the Town of ___(the "Dwelling") and a freehold parcel of land on which such Dwelling will be constructed, as shown on the site plan attached hereto, Plan No(s): _____(the "Lands").

Model Name: _____ Elevation: _____ Model Code: _____

The Lands and the Dwelling are herein collectively referred to as the "Property" for a total cost of:

PURCHASE PRICE:

\$ _____ .00 (_____ and 00/100 dollars)

of lawful money of Canada (the "Purchase Price") inclusive of Harmonized Sales Taxes ("HST"), net of all rebates as hereinafter set out, payable to the Vendor as follows:

DEPOSITS:

- a. the sum of \$ _____ (and 00/100 dollars) as a deposit to be paid upon the execution of this Agreement;
- b. the sum of \$ _____ (and 00/100 dollars) by post-dated cheque as a further deposit dated for _____, 2022 following the execution of this Agreement by the Purchaser;
- c. the sum of \$ _____ (and 00/100 dollars) by post-dated cheque as a further deposit dated for _____, 2022 following the execution of this Agreement by the Purchaser;
- d. the sum of \$ _____ (and 00/100 dollars) by post-dated cheque as a further deposit dated for _____, 2022 following the execution of this Agreement by the Purchaser;

The balance of the Purchase Price, in Lawful money of Canada shall be paid to the Vendor, on Closing (as hereinafter defined), by certified cheque or bank draft drawn on a Canadian Chartered Bank, subject to the adjustments as set out in this Agreement. All Deposits paid shall be paid to the Vendor and shall be credited to the Purchase Price on Closing.

The parties hereto consent and agree to the use of electronic signature pursuant to the Electronic Commerce Act 2000, S.O. 2000, c17, as amended from time to time, with respect to this Agreement and any other documents respecting this transaction.

The TARION Warranty Corporation's "Statement of Critical Dates", "Addendum to Agreement of Purchase and Sale", including Schedule "A" (Types of Permitted Early Termination Conditions) and Schedule "B" (Adjustments to Purchase Price or Balance Due on Closing) (collectively the "Addendum") are attached to and form part of this Agreement. The transaction provided for in this Agreement shall be completed on the date of closing ("Closing Date"), determined in accordance with the provisions of the Addendum, notwithstanding any other term of this Agreement to the contrary.

The following Schedules are appended hereto and form part hereof:

SCHEDULES: "A" Features and Finishes, "B" Floor Plan and Elevation, "C" Site Plan, "X" Incentives and Extras, "D" Décor Centre, "H" Health and Safety Policy Acknowledgement, "L" Terms and Conditions, "P" Park Membership, "W" Warning Clauses, "T" Tarion Addendum, together with any other schedule(s) hereto shall form part of this Agreement (collectively, the "Purchase Agreement" or "Agreement"). The Purchaser acknowledges that he/she has read this Agreement, including the Addendum, and agrees to be bound by the terms hereof.

Lot#: ___ Phase: ___ Address: ___ in the Town of ___ (the "Dwelling") and a freehold parcel of land on which such Dwelling will be constructed, as shown on the site plan attached hereto, Plan No(s): _____ (the "Lands").

This offer is Irrevocable by the Purchaser until 5:00 p.m. on the Irrevocable date as hereinafter set out, after which time if not accepted, this offer shall be void and the deposit monies returned to the Purchaser, without interest. This transaction shall be completed on the Closing Date, on which date vacant possession shall be given to the Purchaser as per Tarion attached hereto.

DATE OF OFFER: _____

IRREVOCABLE DATE: _____

CLOSING DATE: _____

Witness

Purchaser #1 Name / Purchaser #1 Signature

Address

City / Prov Postal Code

Phone # Cell #

Email

Witness

Purchaser #1 Name / Purchaser #1 Signature

Address

City / Prov Postal Code

Phone # Cell #

Email

The undersigned hereby accepts the Offer and it's terms and covenants, promises and agrees to and with the above named Purchaser to carry out the same on the terms and conditions above-mentioned and hereby accepts the said deposit.

ACCEPTED this _____ day of _____, 2021

Vendor's Solicitors:
Scarfone Hawkins LLP
Jim Mahler
Barrister and Solicitor
One James Street South, 14th Floor
Hamilton, Ontario L8P 4R5
P: 905-523-1842 F: 905-523-5878

Vendor: **LIV (Lake Couchiching Residence) LP**
301-1005 Skyview Drive
Burlington, Ontario L7P 5B1
P: 289-245-1300

LIV (Lake Couchiching Residence) LP, by its General Partner,
LIV (Lake Couchiching Residence) GP Inc.

per _____
Authorized Signing Officer



AGREEMENT OF PURCHASE AND SALE

Schedule "A" Features and Finishes (Serenity Bay Townhomes)

EXTERIOR FEATURES

- Superior architecturally designed homes to include a mix of exterior material types and varieties as per Vendor's model plans. All elevations, exterior colours and materials are architecturally controlled to produce a complementary streetscape. Materials may consist of a combination of brick, stucco, stone, vinyl siding, and stucco surrounds and mouldings, as per elevation. Colours are predetermined packages that have been created using professionally approved Architectural guidelines and colours.
- **MODERN EXTERIOR DETAILS INCLUDING MAINTENANCE-FREE VINYL-WRAPPED PVC PLANKS (or equivalent).**
- Low maintenance vinyl clad thermo-sealed fixed style casement windows throughout. A minimum of one operable window with screen per room, or door (as per plan). Basement windows to be vinyl sliders.
- Vinyl siding at side and rear elevations, as per plan and elevation.
- Insulated **CONTEMPORARY METAL FRONT ENTRY DOOR WITH A FULL GLASS INSERT** and vinyl frame, shall receive **UPGRADED WEISER FRONT DOOR HARDWARE IN SATIN NICKEL** and deadbolt lock for your family's added security.
- Convenient **DIRECT ACCESS FROM GARAGE TO HOME** includes an insulated metal door complete with door closure with deadbolt where shown on plans and model types only, and only where grade permits.
- Garden patio door(s) or 5'ft sliding door, as per plan.
- **MODERN EXTERIOR WALL SCONCES** to front porch/garage as per model type, or pot lights in lieu of wall sconces where required
- Pre-finished maintenance-free aluminum soffits, fascia, eavestrough and downspouts (as per elevation).
- Quality self-sealing asphalt shingles with a limited 25-year manufacturer's warranty and pre-finished metal roofing in some areas as per plan
- Premium quality steel insulated sectional roll-up garage door(s) with decorative lite top panel (as per plan.)
- Two (2) exterior weatherproof electrical outlets are included; one at front and one at rear of house.
- Two (2) exterior hose bibs; one in garage and one at rear or side of house.
- Hard surface walkway from driveway to front porch.
- Precast concrete steps at front, sides, and rear entrances as required (as per plan and grading.)
- Covered porch (as per elevation) and exterior maintenance free railing, if required by grade.
- **MODERN EXTERIOR GLASS DECORATIVE RAILING SYSTEM**, excluding grade railing, as per plan.
- Elegant municipal address numbers installed on front elevation.
- 2-stage asphalt paved driveway, base and top-coat, to the width of the garage.
- Professionally graded and sodded front and rear yard. Some gravel may be used between side yards.
- Poured concrete foundations include a spray and exterior plastic drainage layer for damp proofing.
- Garage floors are poured concrete complete with reinforced steel rods in garage floor (as per plan) to enhance structural integrity.
- Garage finished in drywall and taped on wood framed walls only.
- Superior 2" x 6" exterior walls for strength and stability with exterior insulated sheathing.

INTERIOR FEATURES

- Poured concrete floor in the basement with a floor drain by the furnace area, as per plan.
- Sump pump and drain to exterior to be located in the basement, as required.
- **ALL FRAMED FLOORS WILL BE FRAMED WITH AN ENGINEERED WOOD FLOOR SYSTEM FOR OPTIMAL PERFORMANCE.**
- Subfloor materials and installation meet or exceed OBC requirements. **ALL JOINTS TO BE SANDED AND ALL SUBFLOORS TO BE NAILED, SCREWED, AND GLUED.**
- **SHUT-OFF VALVE UNDER EVERY SINK AND TOILET.**
- All exterior windows and doors are foam insulated.
- **9 FT CEILING HEIGHT ON MAIN FLOOR** and 8ft ceiling height on 2nd floor, excluding bulkheads in kitchen and other areas required (as per plan layout).
- Finished areas to have paint grade stringers, carpeted treads and risers (as per plan).
- **STAIRS DESIGNED WITH EXTRA DEEP 10" TREADS (APPROXIMATE).**
- Stairs to unfinished areas to be painted.
- Solid oak 1-5/16" square or traditional spindles and handrail with natural varnished finish on all finished area stairs.
- Choice of imported 13"x13" ceramic floor tiles for foyer/entry, bathrooms, laundry room/mudroom, and kitchen/dinette (as per plan), from Vendor's standard samples
- 35-ounce plush broadloom with 300 Series underpad in all finished areas not covered by a hard surface material, from LIV Communities standard samples.
- Choice of interior passage doors available from a selection of Series 800 styles.
- **UPGRADED SATIN NICKEL FINISH LEVERS** on all interior doors.
- **CONTEMPORARY WHITE PAINTED INTERIOR TRIM PACKAGE WITH 2-3/4" CASINGS AND 4" BASEBOARDS THROUGHOUT. SHOE MOULD PROVIDED ON ALL HARD-SURFACE FLOORING.**
- All half walls are capped and trimmed with 2-3/4" casings.
- **CALIFORNIA KNOCK-DOWN CEILINGS THROUGHOUT** (excluding closets), with a 3" smooth border.
- Smooth ceilings in all bathrooms, laundry and kitchen area.



PAINTING

- Interior walls to be finished with one coat tinted primer and one finish coat of flat paint.
- Purchaser's choice of two (2) colours for walls throughout chosen from Vendor's standard samples.
- Trim and doors to be painted with white semi-gloss paint.

FINISHED LAUNDRY AREA FEATURES

- Laundry room to have a laundry tub (as per plan).
- Where a laundry tub is not provided (as per plan) there will be an in-wall housing unit allowing for hot and cold water supply and waste disposal outlet for future washer.
- Heavy-duty 220V electrical outlet provided for dryer, vented to exterior.
- Exhaust fan, vented to exterior (where applicable).

MEDIA/COMMUNICATIONS

- Purchaser allowance of seven (7) communication rough-ins with a choice between CAT 5 rough-in (for phone or Internet use) and RG6 (cable).
- Homes are roughed in for future security systems.

KITCHEN FEATURES

- Gourmet designer kitchens from choice of quality **OAK, MAPLE, OR HI-GLOSS CABINETRY** from LIV Communities standard samples (as per plan).
- Flush breakfast bar on kitchen islands or peninsulas (as per applicable plan).
- **36" EXTENDED UPPER KITCHEN CABINET HEIGHT.**
- Choice of laminate countertops from Vendor's standard selections.
- Double stainless-steel sink with **UPGRADED MOEN ALIGN KITCHEN FAUCET WITH SPRAY** in chrome finish.
- Two-speed stainless steel kitchen exhaust fan with light over stove area vented to exterior with 6" exhaust ducting.
- Dishwasher space with plug and plumbing rough-in provided in kitchen.
- Heavy-duty 220V electrical outlet for electric stove.

BATHROOM FEATURES

- Purchaser's choice of quality **OAK, MAPLE, OR HI-GLOSS CABINETRY** for all bathroom vanities, includes laminate countertop and drop-in sink (as per plan) from Vendor's standard samples.
- Cabinet with drop-in sink or white pedestal sink in powder room as per plan.
- Wall mounted mirrors installed in all bathroom(s) above vanities.
- Energy efficient water-saver shower head and toilet tanks.
- Pressure balance valve in all showers.
- Quality white fixtures in all bathrooms with white ceramic bathroom accessories and quality chrome faucets and shower heads.
- **UPGRADED MOEN RIZON MASTER ENSUITE FAUCET, SHOWER, AND/OR TUB FIXTURES** in chrome finish, as per plan.
- **UPGRADED MOEN RIZON POWDER ROOM FAUCET FIXTURE** in chrome finish.
- Master Ensuite to have separate framed shower with acrylic shower base, tiled walls and ceiling, with recessed light, and soaker tub with tile backsplash or soaker tub/shower combination complete with shower curtain rod (as per plan).
- Ensuite shower opening is framed in white quartz with a chrome-framed shower glass door and ceramic-tile (as per plan).
- Choice of quality 13"x13" imported ceramic wall and ceiling tile for bathtubs and shower enclosures from Vendor's standard samples
- Tub/shower combination to have shower curtain rod, as per plan
- Exhaust fan vented to exterior in all bathrooms and powder room
- Privacy locks on all bathroom doors

HEATING/INSULATION & ENERGY EFFICIENT FEATURES

- Forced air high-efficiency gas furnace with electronic ignition, vented to exterior.
- Hot water tank, power vented or direct vent (lease or rental). Note: Purchaser will be required to continue a lease or rental agreement prior to closing.
- **HRV (HEAT RECOVERY VENTILATOR)** promotes healthier interior air quality by exhausting stale indoor air and replacing it with fresh outdoor air.
- Thermostat centrally located on main floor.
- Ductwork is sized to accommodate future central air conditioner.
- Homes are sealed with vapour barrier, as per Ontario Building Code.
- All windows and exterior doors are fully caulked, as per Ontario Building Code.
- Weather-stripping installed on all exterior doors.
- **ALL AIR DUCTS TO BE PROFESSIONALLY CLEANED.**

LIGHTING AND ELECTRICAL FEATURES

- 100 amp electrical panel with breaker switches.
- Elegant white Decora style wall switches and plugs throughout.



- **PREMIUM BRUSHED NICKEL INTERIOR LIGHTING PACKAGE.**
- Switched light fixtures in all rooms (as per plan).
- **INTEGRATED USB RECEPTACLE LOCATED IN KITCHEN.**
- Capped ceiling outlet with switches for vaulted entryway and dining room (as per plan).
- Electrical outlets in all bathrooms and powder room and counter-height kitchen, include Ground Fault Interrupters as per Ontario Building Code.
- Hard-wired, inter-connected smoke detector in main hall, upper hall, basement and bedrooms.
- Hard-wired carbon monoxide (CO) detector installed on levels with bedrooms.
- Heavy-duty stove and dryer receptacles.
- Dedicated receptacles for future refrigerator, dishwasher, and microwave.
- One (1) electrical wall outlet per car space in garage in addition to one (1) in ceiling per garage door (as per plan), for future garage door opener(s.)
- Rough-in central vacuum system terminating in basement for future connection.
- Door chime included.

GRADING

~Standard Lot (STD) Conditions

Where standard typical conditions are applicable the following features are included in the applicable premium:

- Up to 2 precast concrete steps from the rear to grade

~D1 Conditions

Where D1 conditions are applicable the following features are included in the applicable premium:

- Up to 4 to 6 risers from rear door to grade
- Low maintenance pressure treated 7x5ft Deck, with stairs to grade

~D2 Conditions

Where D2 conditions are applicable the following features are included in the applicable premium:

- Up to 7 to 9 risers from rear door to grade
- Low maintenance pressure treated 7x5ft Deck, with stairs to grade
- 36x24" Upgraded Windows, as per plan

~D3 Conditions

Where D3 conditions are applicable the following features are standard and included:

- Up to 10 to 14 risers from rear door to grade
- Low maintenance pressure treated 7x5ft Deck, with stairs to grade
- 36x24" Upgraded Windows, as per plan

~Walk-out Basement (WOB) Conditions

Where WOB conditions are applicable the following features are included in the applicable premium:

- Larger rear vinyl casement basement windows
- Low maintenance pressure treated deck off main floor
- Patio door from basement directly below matching door from rear of main level includes precast concrete patio slabs
- Additional rear light to patio door and additional exterior electrical outlet on basement level
- Relocated exterior or side water faucet to basement level
- Grade below the rear deck shall include additional exterior material (where applicable, as per elevation)

WARRANTY

LIV (Lake Couchiching Residence LP) is backed by the TARION Home Warranty Program Including:

- Complete Customer Service Program for One Full Year.
- Two Year Warranty Protection against defects in workmanship and materials including:
 - Caulking for windows and doors preventing water penetration;
 - Electrical, plumbing, heating delivery and distribution systems;
 - Detachment, displacement or deterioration of exterior cladding; and all violations of the Ontario Building Code's Health and Safety Provisions
- Seven Year Warranty Protection against major structural defects (as defined in the TARION Warranties Plan Act) including:
 - A defect in workmanship and materials that results in the failure of a load bearing part of the home's structure, or
 - Any defect in workmanship of materials that adversely affects your use of the building as a home

* *Warranties are limited to the requirements established by the TARION Warranty Plan Act.*

Notwithstanding anything to the contrary set out in this Agreement, the Vendor shall have the right to construct the Dwelling at a grade level different than as depicted in the sales brochures, renderings and other plans and specifications previously reviewed by the Purchaser, necessitating a sunken floor area(s) within the Dwelling, a step or series of steps to or at the front door, side door, rear door, or any door from the garage to the interior of the Dwelling, or the inclusion of landings, decks and railings, and the Dwelling as so constructed is hereby irrevocably accepted by the Purchaser without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligation to construct the Dwelling. Furthermore, the Vendor shall have the right to substitute other products and materials for those listed in the Schedules, provided that the substituted products and materials are of quality equal to or better than the products and materials so listed or so provided. Marble, wood and all natural materials are subject to natural variations in colour and grain. Ceramic tile and broadloom are subject to pattern and shade variations.

AGREEMENT OF PURCHASE AND SALE

Schedule "C" Site Plan



AGREEMENT OF PURCHASE AND SALE

Schedule "D" Décor Centre

The Purchaser, having fully read this schedule, acknowledges and agrees on the following terms:

1. Three Stage Process

In order to build and personalize your home, our Décor Team will provide you with 3 appointments, as outlined below.

(i) First Appointment – Browsing Session (Your Vision)

This is the opportunity for Purchasers to become acquainted with the Décor Centre and familiarize themselves with standard selections and review options and ideas for the home.

(ii) Second Appointment – Rough-In Appointment (Your Essentials)

Some structural changes to the floor plans or elevations may require architectural changes to both construction drawings and drawings for building permits. These changes may be subject to additional costs and are at the Vendor's sole discretion. Other extras and options which do not alter the floor plan or elevation of the home will also be reviewed for consideration, such as electrical options, plumbing fixture options, stair options, etc. All rough-ins, selections, extras, and upgrade options must be finalized at this Appointment.

(iii) Third Appointment - Colours and Interior Finishes (Your Style)

The selections available to the Purchaser include those items listed on Schedule "A" of the Agreement of Purchase and Sale which provide the Purchaser with choices of colours and materials and other extra or upgraded items on display at the Décor Centre. All colours, selections, extras, and upgrade options must be finalized at this Appointment.

The 3 Appointments listed above are the Purchaser's only opportunity to choose and finalize selections for the home.

Appointment order and appointment combining are at the Vendor's sole discretion.

Purchased items may not be cancelled, added to, or altered, after selections have been finalized.

*Options Not Allowed

1. Any changes not allowed due to Architectural Control
2. Modifications of pre-approved architecturally controlled exterior colour packages
3. Relocation of furnace, hot water tank, or electrical panel
4. Work done by individuals not employed or contracted by the Vendor

2. Décor Centre Appointments

The Purchaser acknowledges that he/she is required to attend, at the Vendor's Decor Centre, as provided for in this Agreement in order to make certain interior colour and material selections respecting the Dwelling, as may be permitted by the Vendor in its sole discretion. The Vendor shall select an appointment date and time for the Purchaser to make the selections, and will use reasonable efforts to co-ordinate a mutually convenient date and time with the Purchaser, it being acknowledged by the Purchaser that the Decor Centre's hours of operation are as set out in paragraph 9 below. Each appointment shall not exceed three (3) hours in length. In the event that the Purchaser does not attend the appointment, or attends but for any reason whatsoever, fails to complete the selections by the Third Appointment (Colours and Interior Finishes), the Vendor may, in its sole discretion grant the Purchaser the right to rebook the appointment. In the event that the Vendor, in its sole discretion agrees to allow the Purchaser to attend at any additional appointments beyond the (3) appointments outlined above, any such additional appointments will be subject to an administrative fee of \$250.00 plus HST, per appointment, to be paid by the Purchaser to the Vendor as an adjustment in favour of the Vendor on Closing. At the additional appointment, if granted by the Vendor, in its sole discretion, the Purchaser agrees to confirm the Purchaser's selections by signing the Vendor's Amendment for colours, extras or options. Should the Purchaser refuse or neglect to attend the additional appointment, or, if granted by the Vendor in its sole discretion, or at the additional appointment, attends but refuses to confirm its selections by signing the Vendor's standard amendment for colours, materials or options, the Vendor may appoint a Décor Consultant to make the Purchaser's selections which shall be final and binding to the Purchaser in all respects and the Vendor shall install such selections in the Dwelling. The Purchaser hereby constitutes the Vendor as his/her lawful attorney to complete the Vendor's Amendment for colours, materials or options based on the selections made by the Décor Consultant, in such circumstances where the Vendor appoints such Décor Consultant and the Purchaser shall be bound by such standard Amendment for colours, materials or options as if he/she had executed same.

3. Appointment Cancellation Policy

Any changes or cancellations of a booked appointment must be requested a minimum of 48 business-day hours prior to the appointment by either email or phone. The Vendor, at its sole discretion, will charge an administrative fee of \$250 plus HST, per appointment, to be paid by the Purchaser to the Vendor, as an adjustment in favour of the Vendor on Closing, for any appointment that has not been changed or cancelled with a minimum 48 business-day hour notice.

4. Prices

An Options & Pricing Guide, if available, with detailed pricing will be emailed to the Purchaser at the time of booking the First Appointment. The Purchaser agrees and acknowledges that the Vendor does not guarantee any verbal quotes, estimates nor any items not specifically detailed in the delivered Guide. However, prices in the Vendor's Guide mailed to the Purchaser will be guaranteed until the completion of the scheduled Décor Centre appointments.

5. Credits

No credits will be provided to the Purchaser should the Purchaser request the deletion or substitution of any item included in the Purchase Price pursuant to this Agreement of Purchase and Sale, inclusive of those items detailed in Schedule A, if any.

6. Deposits

If in the Vendor's sole unfettered and absolute discretion extras or upgrades chosen by the Purchaser could affect the Vendor's ability to re-sell the Dwelling in the event of a default by the Purchaser, the Vendor will require that a deposit be paid on all files in which extras and upgrades chosen total more than \$50,000, exclusive of any Décor Dollars as listed in the Schedule X. Deposit cheques must be honoured. Should the Purchaser's deposit cheques be returned NSF, the Vendor will charge to the Purchaser an administration fee of \$250.00 plus HST per NSF deposit cheque, and upon not less than 7 days' prior notice, the Vendor may require the Purchaser to provide replacement cheques in certified form. Should the Purchaser fail to provide such certified replacement cheques with the said seven (7) day period, the Vendor may choose the colours and materials for the Purchaser in accordance with Paragraph 1 of the Schedule L.

7. Supply of Materials

The Purchaser acknowledges that the Vendor will supply all products or services for installation in the Dwelling prior to the Closing Date. The Vendor shall not accept any supplies or services from the Purchaser for installation in the Dwelling. Furthermore, should the Purchaser attend at the Land prior to the Closing Date and supply any products or services, the Vendor shall be entitled to remove and dispose of same at the Purchaser's cost and with no liability to the Vendor whatsoever.

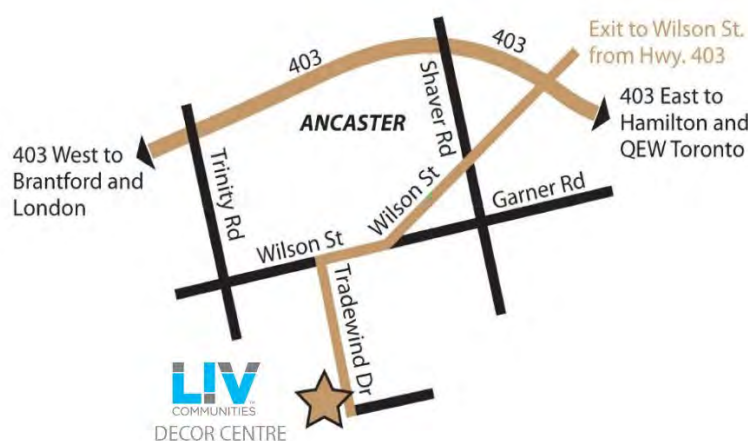
8. Changes/Extras

The Purchaser acknowledges that their choices and selections made at the Vendor's sales office or during the Décor Centre Final Appointment are firm and binding and at no time thereafter is the Vendor under any obligation to agree to any further requests for additional extras, deletions, or changes.

9. Décor Centre Hours

BY APPOINTMENT ONLY
Monday to Friday 9 am - 5 pm

10. Décor Centre Contact Information



680 Tradewind Drive, Unit 1
Ancaster, ON L9G 4V5
P: 905-304-0471
E: decor@livhere.ca

AGREEMENT OF PURCHASE AND SALE

Schedule "H" Health and Safety Policy

ACKNOWLEDGEMENT

While we realize that it is only natural to want to visit the site from time to time to check on the progress of your new home during construction, we must, nevertheless, advise you that this is against the laws of Ontario.

The Occupational Health and Safety Act requires that all visitors to a home under construction, even during the finishing stages, MUST be equipped with Hard Hats AND Safety Boots AND provide proof of current coverage with the Workmen's Compensation Board or Long Term Disability Insurance that will satisfy the Board.

The law makes no exceptions so neither can we!

Except in the circumstances where all of the above conditions have been satisfied and an appointment made with the Site Supervisor, we must therefore respectfully insist that you do not venture onto the Site beyond the street curb-line.

Thank you in advance for your cooperation.

We hereby agree to abide by the terms and conditions as stipulated herein and accordingly acknowledge receipt of same.

AGREEMENT OF PURCHASE AND SALE

Schedule "L" Terms and Conditions Townhomes

CONSTRUCTION

1. The Purchaser shall make all necessary choices, including selections of colours and materials, from the Vendor's samples, in writing within the earlier of thirty (30) days after the removal of all conditions or acceptance of this Agreement by the Vendor or within forty-eight (48) hours after the Vendor's request and failing that making of such choices the Vendor shall be entitled to make such selections on behalf of the Purchaser. No changes will be permitted in colour or materials chosen by the Purchaser once selections have been finalized. The Purchaser shall be deemed to have accepted any of such items which may have been selected, completed or installed in the dwelling as of the date of execution of this Agreement;
2. The Purchaser understands and agrees that colour variances sometimes occur in the manufacture of finishing items and the Purchaser shall accept such colour variations resulting from the manufacturing process without any right of abatement of the purchase price and in full satisfaction of the Vendor's obligations herein;
3. The Purchaser acknowledges that engineering data in respect of the municipally-approved final grading requirements for the Real Property may not be completed or available to the Vendor at the time of executing this Agreement. In the event that this Agreement specifies that the Dwelling is to be built as a walk-out or look-out basement and it is not possible to construct the Dwelling in such a manner, the Purchaser shall be granted a credit on closing in the amount of \$17,200.00 (including HST) in the case of a walk-out basement and \$6,200.00 – \$11,200.00 (including HST) in the case of a look-out basement, dependent on the number of risers of the lookout condition. In the event that the final grading requirements cause the Dwelling to be built as a walk-out or look-out basement, and the charge for a walk-out or look-out basement was not included in the purchase price at the time of executing this agreement, the Purchaser shall be charged \$17,200.00 (including HST) for a walk-out basement and \$6,200.00 – \$11,200.00 (including HST) for a look-out basement, dependent on the number of risers of the lookout condition. This event shall in no way affect the validity or enforceability of this Agreement and all other terms and conditions shall remain in force;
4. Acceptance of construction, siting and grading by the Vendor shall conclusively constitute acceptance by the Purchaser. The Vendor shall have the right to make minor or necessary changes in plans, siting and specifications, provided there is no objection by the City. The Purchaser acknowledges that there may be minor dimension differences from the brochure, marketing materials, rendering, blueprint or plan(s) (herein called "Plans") based on framing or construction issues and that these are considered acceptable and the Purchaser agrees not to object to such minor changes. There may be drywall boxes, bulkheads, or channels that are not shown on the Plans to conceal heating ductwork, plumbing, or beams. The Purchaser acknowledges that the Vendor may use, draw or amend plans that demonstrate items that are available at an additional price. Any dimensions and details shown on the Plans are approximate only and Purchaser is not purchasing the dwelling on a per square foot basis and accordingly the Purchaser shall not be entitled to any abatement or refund of the Purchase Price should the precise area of the dwelling be less than shown on the Plans. The Vendor shall have the right to substitute materials for those described in the plans and/or specifications, provided that the quality is equal or better. The Purchaser shall have no claim against the Vendor regarding any such changes, variances, or modifications, nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete the sale notwithstanding any such modifications;
5. The Purchaser acknowledges that there may be a catch basin abutting, fronting, or at the rear of the Property and agrees not to make any objections in regard to its location;
6. The Purchaser acknowledges that as a result of a decision of a governmental authority, or for any other reason, the lot size, area, frontage or depth, location of the Property, or any other dimensions of the Property, may change or vary from what is specified in this agreement or in any brochures, drawings, plans, advertisements or other marketing materials, or from any statement made by the Vendor's representatives. The Purchaser agrees to accept such change or variation without any abatement of the Purchase Price and/or holdback of monies, and the Purchaser releases and discharges the Vendor from any liability arising therefrom;
7. In the event the Purchaser or any representative acting on behalf of the Purchaser makes any changes to the dwelling prior to taking possession, the Vendor shall, forthwith, remove such work and the Purchaser shall pay all costs the Vendor incurs associated with the installation and removal of the unauthorized changes, plus applicable HST, with such amounts being added to the statement of adjustments without further notice;

ASSIGNMENT

8. The purchaser covenants not to sell, list for sale, advertise for sale, entertain any offers to sell, nor assign the Purchaser's interest under this Agreement or in the Property, nor directly or indirectly permit any third party to list or advertise for sale the Property, at any time, on or before Closing.
9. The Purchaser shall not be entitled to assign this Agreement or any portion thereof without the prior written consent of the Vendor, which consent may be arbitrarily withheld. Unless the Vendor has previously consented to any assignment by the Purchaser in accordance with this Paragraph, the Vendor will not be required to comply with any Direction delivered to it on or before Closing purporting to direct the Vendor to convey the Property to any person, corporation or other entity other than the Purchaser as described in this Agreement. Any offering for sale, assignment, or attempted assignment including listing or advertising for sale, of this Agreement or the Property shall constitute a breach of this covenant.
10. The Purchaser acknowledges and agrees that the Vendor and each of its successors and assigns shall be entitled to assign this Agreement at any time, and from time to time, without the consent of or notice to the Purchaser, and in the event of any such assignment the Vendor and/or its successors and assigns executing such assignment shall be released from all obligations under this Agreement.

PURCHASER'S COVENANTS AND AGREEMENTS

11. The Purchaser consents to the Vendor collecting and possessing the Purchaser's "personal information" (as such term is defined in the Personal Information Protection and Electronic Documents Act, S.C. 2000, c.5) and other relevant and necessary information obtained by the Vendor pursuant to and necessary with the implementation of this Agreement. The Purchaser acknowledges and agrees that the aforesaid information is provided to the Vendor with the Purchaser's express knowledge and consent. In addition, the Purchaser(s) consents to the Vendor using, releasing and/or disclosing the Purchaser's name, address and phone number to:
 - a) a company or organization affiliated, associated or related to the Vendor, in order to provide the Purchaser with information relating to

- b) the projects of such entities;
 - c) any provider of utilities, services and/or commodities to the dwelling (including, without limitation, gas, electricity, water, telephone, cable and/or satellite T.V.) for the purpose of marketing, promoting and providing such utilities, services and/or commodities to the dwelling;
 - d) the Vendor's consultants and lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement;
 - e) the Vendor's trades and suppliers for the purpose of providing services or supplies for the dwelling;
 - f) The Purchaser also acknowledges and consents to the Purchaser's name and other relevant and necessary personal information remaining in the Vendor's file for the uses and purposes set out above;
12. When the Purchaser consists of two or more individuals, the signature of either or any of them shall be sufficient to bind the other(s) in respect of any orders for changes, colour and material selections and extras made to the Vendor, and the Purchasers shall be stopped from arguing that any such order signed by one of them is not binding on the others. In furtherance to the foregoing, each Purchaser hereby irrevocably appoints the other Purchaser(s) to be and act as their lawful attorney in the Purchaser's name, place and stead in order to execute such orders in accordance with the Substitutions Decision Act, 1992 (Ontario), as amended from time to time, and each of the Purchasers hereby confirm and agree that such Power of Attorney may exercise during any subsequent legal incapacity of the Purchaser granting same;
 13. The Purchaser shall not enter the Property to examine the dwelling prior to closing without the written consent of the Vendor and without being accompanied by the Vendor's authorized representative at the Purchaser's expense. The Vendor shall not be liable for injuries caused to or suffered by the Purchaser or any person accompanying the Purchaser while on or near the Property, or other lands in the subdivision, and the Purchaser shall indemnify and save harmless in respect of any claims resulting from entry or proximity;
 14. The Purchaser covenants and agrees to keep the subject matter of this transaction strictly confidential and not disclose to any third parties, except to the Purchaser's counsel or mortgage lender, the Tarion Warranty Corporation, or otherwise as required by law, and to refrain from harmful, damaging, or defamatory commentary publicly or in Social Media, including but not limited to Twitter, Facebook, Homestars, and Google, with respect to the behavior, business practices, or personal information of the Vendor or its' staff, the Real Property, or the Purchase Agreement.
 15. The Purchaser acknowledges that if warning clauses (pursuant to requirements by the Municipality) are not presently included in this Agreement that the Purchaser will be required to provide acceptance and sign-off of these clauses at the time of inclusion in the Agreement;
 16. In the event that the Purchaser fails to make the additional deposit(s) when due, interest on such overdue amount shall accrue at the rate of fifteen per cent (15%) from the date due until the date received, which interest shall be credited to the Vendor on closing;
 17. If the Purchaser is unable or unwilling to complete this transaction of Purchase and Sale on the closing date or extended closing date as determined by this Agreement and requests the Vendor for an extension of time which the Vendor agrees to, the Purchaser shall pay the Vendor on closing, unless waived by the Vendor, interest on the balance due on closing at a rate of fifteen per cent (15%) per annum for the time of the purchaser requested extension and any utility fees or charges accrued during the time of the purchaser requested extension. In the event the Purchaser is unable to complete this transaction of Purchase and Sale, for whatever reason, the Purchaser shall pay the Vendor interest on the balance due on the closing rate of fifteen percent (15%) per annum and any accrued utility fees or charges, from closing until the Vendor completes the resale of the property and/or to the date of recovery of any damages awarded to it by a court of law. The Purchaser acknowledges that any interest that may accrue is not a penalty.
 18. If the Purchaser is unable or unwilling to complete this transaction of Purchase and Sale on the closing date or extended closing date as determined by this Agreement, the Purchaser agrees that the Purchaser will pay to the Vendor all of expenses in enforcing the Vendor's rights under the Agreement of Purchase and Sale including any legal fees (on a full indemnity basis) and disbursements incurred by the Vendor in commencing any legal actions with respect to enforcing its rights under the Agreement of Purchase and Sale including but not limited to any claims for damages.
 19. It is understood and agreed that upon default by the Purchaser in any of his covenants or obligations set forth in this agreement, the Vendor shall have the right to declare this agreement terminated without further notice and, in addition to any other remedy, the deposit monies, together with all additional deposits, all monies paid for any extras or changes to the Property, shall be forfeited and retained by the Vendor without prejudice to or limiting the rights of the Vendor to claim for damages in excess of the deposit monies retained by the Vendor.
 20. The Purchaser shall pay the Vendor's Solicitor's fees in the amount of \$500 + HST for each letter or other form of notice sent to the Purchaser's solicitor relating to any default by the Purchaser.
 21. The Purchaser agrees that the Vendor may, at its option, declare this agreement to be terminated in the event that the Purchaser or anyone acting for or on behalf of the Purchaser, makes any adverse representation to the City in writing or otherwise with respect to the construction, siting or grading, prior to notification by the Vendor that the dwelling is ready for occupancy in accordance with the agreement;
 22. Notwithstanding closing, the Purchaser's covenants and agreements set forth herein shall not merge but shall survive closing;

VENDOR'S COVENANTS AND AGREEMENTS

23. The Vendor shall have the right, in its sole discretion, to construct the dwelling as shown in its sales brochures, marketing materials, renderings, plans, specification or as specified in the Agreement, on a reverse mirror image plan, including reversal of garage siting and the floor layout. Construction of a reverse mirror image is hereby irrevocably accepted by the Purchaser without any right of abatement of the Purchase Price and in full satisfaction of the Vendor's obligation to construct the dwelling;
24. The Vendor makes no representations as to the locations of street and/or traffic signs, hydro poles, fire hydrants, sidewalks, mailboxes, cable television boxes, telephone boxes, hydro vaults, manhole covers, or any other utility service within the subdivision;
25. The Vendor will install an asphalt driveway (herein known as "Driveway"). The Purchaser will not remove the Driveway until delivery of written notice from the Vendor that the Driveway has been inspected and meets the City's hard surface driveway apron approach requirements. The Purchaser agrees that in the event that the driveway has been removed after notice has been received from the Vendor the Purchaser shall within 7 days, replace the driveway with a hard surface that meets the City's requirements or the Vendor will have a new asphalt driveway installed and the Purchaser will pay all costs of the Vendor, plus applicable HST, on demand;
26. The Vendor agrees to plant a tree on the lot in accordance with City approved Street Tree Planting Plan and current City Policy. The Purchaser agrees to be responsible for maintenance of the tree once it is planted or after the date of closing, whichever is later. If the Vendor is required to replace any tree(s) as a result of the Purchaser's default hereunder, the Purchaser agrees to reimburse the Vendor for all cost associated with the replacement upon demand;

PERMITTED ENCUMBRANCES

27. The Purchaser accepts title to the Property subject to whatever rights, easements and agreements are required by the City or Municipality for sewers and/or water and/or Bell Telephone Company of Canada for telephone service and/or by the Corporation or commission supplying electricity and gas and/or by the Corporation for a T.V. transmission system and/or the appropriate conservation authority; and/or the Ministry of the Environment;
28. The Purchaser authorizes the Vendor, the subdivider, any Municipal or City authority, utility or service supplier, or their servants or agents, to enter upon the Property to inspect, repair, complete or rectify construction, grade, and undertake modification to surface draining, including installation of catch basins, or for any other purpose required by the subdivision agreements and the Purchaser further agrees to grant and execute any easement(s) for the installation and/or maintenance of City, municipal, utility or other services to the Property or adjacent properties, forthwith upon the Vendor's request, both before or after the closing. The transfer to the Purchaser may contain any or all of the foregoing covenants;
29. The Purchaser acknowledges and understands that there are continuing lot, block, unit, or severed parcel grading obligations and requirements;

COMPLETION

30. In the event that weather conditions do not permit the completion of exterior work, the Purchaser agrees to complete the transaction and pay the full balance due on closing upon receipt of the Vendor's undertaking to complete the work when weather conditions permit. Notwithstanding the completion of the transaction, the Purchaser agrees that the Vendor or its duly authorized agents may enter upon the Property in order to finish exterior house or lot work, landscaping, grading operations, or site works, which include, but are not limited to: decks, curbs, sidewalks, utility services, top coat street asphalt or other related works; when in the Vendor's opinion the weather permits;

ADJUSTMENTS

31. The parties acknowledge that any applicable land transfer tax, and any HST applicable to any chattels being conveyed to the Purchaser along with the Property, are not included in the Purchase Price, and both are the Purchaser's responsibility for payment. The Purchaser shall reimburse the Vendor on the Title Closing Date for any new levies or any increase in levies imposed by any governmental authority following the date of acceptance hereof, including, without limitation, any additional levies incurred pursuant to the Development Charges Act (Ontario) R.S.O. 1990 and any amendment thereto;
32. Realty taxes (including local improvement charges) shall be estimated by the Vendor for the calendar year in which the transaction is completed, and shall be adjusted as if such has been paid by the Vendor notwithstanding that the sum may not, by the date of closing, have been paid; subject, however, to readjustment upon the actual amount of such taxes being ascertained;
33. It is understood and agreed that the dwelling shall include a hot water tank on a rental basis and that the Purchaser will pay the usual monthly rental charges thereon and will sign all necessary documents with regard thereto. The Purchaser agrees to assume immediately on closing, usage charges for hydro, water, and gas, as well as connection and installation charges, plus applicable HST, and the Vendor may recover any payments therefor from the Purchaser. The Purchaser shall pay, or reimburse the Vendor \$2,000 + HST for the cost of, or the charge made for, installation and connection of the utility meter(s).
34. The Purchaser shall pay, or reimburse the Vendor on the closing date, for the transaction levy imposed upon the Vendor or its solicitors by the Law Society of Upper Canada plus applicable HST, and such costs shall be added to the Purchase Price on closing;
35. The Purchaser shall pay or reimburse the Vendor on the closing date, an administrative fee of \$500 for any cheque delivered to the Vendor which is returned NSF or for which payment has been stopped;
36. The Purchaser shall pay, or reimburse the Vendor on the closing date, \$650 + HST for subdivision esthetic enhancement, such as boulevard treatment or improvement, or landscaping, trees, or subdivision entrance features, or corner lot fencing, or fences or retaining walls, in the subdivision.
37. The Purchaser shall pay, or reimburse the Vendor on the closing date, \$1,000 + HST, for the top-coat of driveway asphalt.
38. The Purchaser agrees to pay a security deposit of \$1,000 to the Vendor at closing, which shall be held until final registration and assumption of the subdivision and may be used by the Vendor to correct any alteration to grading, damages to utility boxes or curb, or any other items that are preventing the Vendor from obtaining certification, which may occur on the Purchaser's property within this time period. Otherwise, the deposit shall be returned without interest or deduction.
39. The Purchaser agrees to reimburse the Vendor on closing adjustments for the enrollment fee under the Tarion Warranty Program, as well as the regulatory oversight fee collected by the Home Construction Regulatory Authority (the "HCRA") and such other fees collected by Tarion and/or the HCRA in respect of the dwelling (together with any provincial or federal taxes exigible with respect thereto, and such costs shall be added to the Purchase Price on closing. The Vendor hereby warrants that the dwelling is enrolled with Tarion. The Purchaser covenants and agrees to attend at the dwelling during the Vendor's normal business hours, prior to closing, and to complete an inspection of the dwelling in the presence of the Vendor's authorized representative and to complete and execute at the time of such inspection the "CERTIFICATE OF COMPLETION AND POSSESSION": (hereinafter called 'Completion Certificate'), which Completion Certificate shall contain a list of any items remaining to be completed at the dwelling. In the event that the Purchaser fails to execute the Completion Certificate prior to the closing date, the Vendor may, at its option, declare the Purchaser to be in default under this agreement and exercise any or all of its remedies set forth herein or at law. The Purchaser acknowledges that the Completion Certificate shall constitute the Vendor's only undertaking to complete the dwelling and no further undertaking shall be delivered on closing or otherwise. The Purchaser further agrees that the Vendor or its representatives shall have the right to enter upon the Property and dwelling after closing, if necessary, in order to complete such items as are included in the Completion Certificate. The Vendor shall complete items contained in the Completion Certificate as soon as possible after execution of same subject to weather conditions and availability of materials and trades;
40. The Purchaser shall pay the Vendor, on or before closing, for all extras or charges specifically ordered by the Purchaser, plus applicable HST, and shall pay such amounts forthwith upon demand if this transaction is not completed for any reason whatsoever. Included in the Purchase Price are the items and features listed on Schedule "A", which is attached hereto and forms a part of this agreement. It is understood and agreed that certain items in the model homes are for display purposes only and are not included in the Purchase Price unless specifically set out in Schedule "A" attached hereto. It is further agreed that some items and finishing details shown on any artist's renderings, brochures, architectural drawings, plans or renderings, including but not limited to, landscaping, trees and vegetation, brick details, siding details, stucco details, window grills, and window configurations may be optional extras that are not included in the purchase price. If any extras, options or upgrades ordered by the Purchaser are not supplied for any reason whatsoever, the Vendor shall credit to the Purchaser in the statement of adjustments upon closing, or by cheque if the missing items(s) are discovered after closing, the amount paid by the Purchaser

41. in connection with such extras plus applicable HST, and the Purchaser acknowledges that the Vendor's liability with respect to such extras
42. shall be limited to the credit of the amounts referred to aforesaid and, upon such credit or payment being given, the Vendor shall be released from any and all obligations, claims or demands whatsoever with respect thereto;
43. The Purchaser is to pay in advance for the extras ordered, plus applicable HST, and acknowledges and agrees that such payment shall be non-refundable in the event that the transaction is not completed for any reason whatsoever. In the event the Purchaser neglects to advise the Vendor forthwith upon request as to the Purchaser's selection of finishing specifications or, orders and extras, upgrades in interior finishing's or performs any work in or about the dwelling unit which causes delay in the Vendor's construction operations, the Purchaser agrees to complete this transaction on the closing date herein set out without hold back of any part of the Purchase Price, even though the Vendor may have outstanding work to complete;

HST

44. The Purchaser and Vendor acknowledge and agree that the Purchase Price is inclusive of the harmonized Sales Tax and if applicable, the Federal Goods and Services Tax and Provincial Sales Tax (collectively, the "HST") and that the actual consideration for the Property, exclusive of extras, changes, upgrades, or adjustments, as herein provided, is the amount derived by subtracting the HST payable herein (less all refunds, credits, and rebates, if any, including, without limitation, the HST new housing rebate and if applicable, the GST New Housing Rebate and the RST Transitional New Housing Rebate (the "Consideration").

HST REBATE

45. In consideration of the Purchase Price being inclusive of HST, the Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights he may have on Closing or thereafter to any rebates, refunds or credits available with respect to this transaction pursuant to the applicable HST legislation, including without limitation, if the Purchaser qualifies for it, the HST New Housing Rebate, the GST New Housing Rebate, and the RST Transitional New Housing Rebate, or any other rebates, refunds or credits of or pertaining to HST (the "Rebate"). If the Purchaser qualifies for the Rebate, and if the Rebate is available for the transaction contemplated herein, the Purchaser acknowledges having received credit for the amount of the Rebate in the calculation of the Purchase Price, and having assigned the Rebate to and in favour of the Vendor, and directs the Vendor to so indicate in any documentation pertaining to the Rebate.
46. Subject to Section 41 below, the Purchaser covenants and agrees that he shall forthwith following the completion of this transaction, personally occupy the Property or cause one or more of his relations (related by blood, marriage, or adoption within the meaning of the applicable Federal or Provincial legislation, to occupy the Property as his or their primary place of residence for such period of time as shall be required in order to entitle the Purchaser to the Rebate.
47. Subject to Section 42 below, the Purchaser covenants and agrees to execute and deliver to the Vendor, on or before Closing, all applications, assignments, authorizations, directions, statutory declarations, forms and other such documents as the Vendor or its solicitors shall request, from time to time, in order to verify entitlement to the Rebate and to effect the proper assignment thereof to the Vendor, including without limitation, compliance with the Purchaser's covenants contained in Sections 39 and 40 hereof.
48. In the event that the Purchaser shall for any reason fail to qualify for the Rebate as assigned to the Vendor, the Purchaser shall indemnify and hold the Vendor harmless in the amount that the Purchaser would have been entitled to had he so qualified for the Rebate and shall pay such amount to the Vendor forthwith upon written demand for same and the Purchaser agrees that the Vendor shall be entitled to a Vendor's lien, which shall be registered against title to the Property in an amount equal to the Rebate. In addition, in the event that the failure of the Purchaser to qualify for the Rebate is disclosed by the Purchaser to the Vendor on or before Closing, or in the event that the Purchaser fails to provide evidence satisfactory to the Vendor in its sole and unfettered discretion, confirming the Purchaser's entitlement of the rebate, the Vendor shall be credited on the statement of adjustments, on Closing, as determined by the Vendor, with an amount equal to the Rebate, had the Purchaser qualified for same and the Purchaser shall be relieved of his covenant under Section 39 hereof.
49. If the Vendor believes for whatever reason that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, and the Vendor's belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before Closing, then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obliged to pay the Vendor (or to whomsoever the Vendor may in writing direct), by certified cheque delivered on Closing, an amount equivalent to the Rebate, in addition to the outstanding balance of the Purchase Price, and in those circumstances where the Purchaser maintains that he or she is eligible for the Rebate, despite the Vendor's belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebate as aforesaid) be fully entitled to file the necessary rebate forms directly with, and pursue the Rebate directly from, Canada Revenue Agency.
50. Notwithstanding any other provision herein contained, the Purchase acknowledges and agrees that the Purchase Price does not include HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or any extras, changes or upgrades to the Property agreed upon by the Vendor and Purchaser following the acceptance by the Vendor of this Agreement, and the Purchaser shall be responsible for payment of HST for such extras, changes or upgrades in accordance with the applicable HST legislation. In addition, and without limiting the generality of the foregoing, in the event that the Purchase Price is increased by the addition of extras, changes, upgrades, in accordance with the applicable HST legislation. In addition, and without limiting the generality of the foregoing, in the event that the Purchase Price is increased by the addition of extras, changes, upgrades or adjustments and as a result of such increase, the quantum of the Rebate that would otherwise be available is reduced or extinguished (the quantum of such reduction being hereinafter referred to as the "Reduction"), then the Purchaser shall pay to the vendor on Closing (as determined by the Vendor in its sole and unfettered discretion), the Reduction.

CLOSING

51. The Purchaser agrees that keys will be released to the Purchaser at the construction site upon completion of this transaction, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser;

52. The Purchaser agrees to accept a transfer of title to the Property directly from the registered owner thereof, and to accept such owner's title covenants in lieu of the Vendor's title covenants, in the event that the Vendor is not the registered owner of the Property on closing and the Purchaser shall not be entitled to request or receive any further documentation save for the transfer in registerable form on closing and any further documents contemplated by this Agreement;
- a) It is agreed between the parties hereto that there is to be constructed and completed upon the Property a dwelling as set out in this Agreement. The dwelling shall be deemed to be completed when in the Vendor's sole opinion all interior work has been substantially completed and the Purchaser agrees in such case to close the transaction, without hold back of any part of the purchase price, on the Vendor's completion of a Completion Certificate and the Purchaser will accept the Vendor's covenant of indemnity regarding lien claims which are the responsibility of the Vendor, its trade, and/or suppliers in full satisfaction of the Purchaser's rights under the Construction Lien Act (Ontario) and will not claim any lien hold back on closing;
 - b) The Property shall be and remain at the risk of the Vendor until closing and pending completion of the sale, the Vendor will hold back all insurance policies and the proceeds thereof in trust for the parties as their interest may appear, and in the event of damage to or destruction of the dwelling. The Vendor may at its absolute discretion decide whether it will rebuild or repair such damage or terminate this agreement and upon returning to the Purchaser the deposit without interest, the Vendor's liability will be at an end;
 - c) Subject to the foregoing provisions of this agreement, if the dwelling is not completed on or before the original or extended date of closing or if the dwelling type cannot be sited or built on the lot in accordance with the City, the Vendor may, subject to the provisions of the ONTARIO NEW HOMES WARRANTIES ACT, cancel this Agreement and the Purchaser shall be entitled to the return of the deposits, without interest, and in no event shall the Vendor be responsible to the Purchaser for damages in any amount whatsoever;
 - d) Failure of the Vendor to exercise any of its rights under this Agreement at any time or times shall not act as a waiver of such rights. Provided the title is good and free from all encumbrances, except as aforesaid, and except as to any registered easements, restrictions or covenants that run with the land, the Purchaser is not to call for the production of any title deed, abstract survey or other evidence of title except such as are in the possession of the Vendor and the Purchaser shall satisfy himself that the dwelling may be occupied in accordance with City requirements. The Purchaser is to be allowed thirty (30) days after the date of acceptance hereof, to examine the title at his own expense. If within that time any valid objection to title is made in writing to the Vendor which the Vendor shall be unwilling or unable to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intermediate acts or negotiations in respect of such objections be null and void and the deposit(s) shall be returned by the Vendor (except for the Purchaser's obligations for extras or changes) without interest and the Vendor shall not be liable for any costs or damages whatsoever. Save as to any valid objection so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Property. This transaction of Purchase and Sale is to be completed on or before the tentative closing date as set out on the front page of this Agreement at which time vacant possession of the Property is to be given to the Purchaser unless otherwise provided herein (the "First Tentative Closing Date" or "Closing Date"). It is understood and agreed that the First Tentative Closing Date is subject to the provisions of the ONTARIO NEW HOME WARRANTIES ACT as set out in the Addendum to this Agreement attached as Appendix "N" hereto. Mortgage interest, taxes, local improvements, fuel, water and assessment rates to be apportioned and allowed to the aforementioned date fixed for completion of sale. (The day of closing being the Purchaser's responsibility); in the event that there are charges/mortgages registered against the title to the Property, which the Purchaser is not assuming, the Purchaser agrees to accept the Vendor's lawyer's undertaking to obtain and register a proper discharge of the charge/mortgage within a reasonable time after closing in full satisfaction of the Vendor's obligation to convey the Property free of any outstanding charges/mortgages. In the event that the Vendor has contracted to purchase the title of the Property from the subdivider and, through no fault of the Vendor, the Vendor is unable to complete the purchase of title, then the Vendor may terminate this agreement and all deposit monies shall be returned to the Purchaser forthwith without interest or deduction and the parties hereto shall be relieved of any further liability or obligation hereunder;
 - e) This Offer, when accepted shall constitute a binding contract of Purchase and Sale and time shall in all respects be of the essence hereof. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Property or supported hereby, except as set forth herein in writing. The transfer is to be prepared at the Vendor's expense and may contain any one or more of the provisions set forth above and shall, if so required by the Vendor, be executed by the Purchaser on behalf of himself, his heirs, executors, administrators, successors and assigns. This Agreement is conditional upon compliance with the requirements of Section 50 of the Planning Act (Ontario), as amended, which compliance shall be obtained by the Vendor at its sole expense on or before closing;
 - f) In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted herefrom and shall not be deemed to affect the enforceability or validity of the balance of the Agreement of Purchase and Sale;
 - g) Any tender of documents or monies hereunder may be made respectively upon the Vendor or the Purchaser, or upon their respective solicitors, and money shall be tendered by negotiable cheque certified by a chartered bank or trust company or a bank draft. Such tender shall be made on the Closing Date by the attendance of the parties hereto or their respective solicitors at the appropriate Land Registry Office where any Transfer/Deed of the Unit must be registered, and in the absence of an appointment to the contrary, after 3:00 pm in the afternoon of such day. In the event that the Purchaser or his or her solicitor does not attend at such time, and the Vendor, its solicitor or its agent is in attendance at such time, then the Purchaser shall be deemed for all purposes to have waived tender by the Vendor, and the Purchaser shall be estopped and forever barred from claiming any defect in the title to the Property, or any deficiency in the construction thereof, or that the Vendor was unable or unwilling to complete this transaction in accordance with the provisions of this Agreement;
 - h) In the event that the electronic registration system (hereinafter referred to as the Teraview Electronic Registration system or "TERS") is operative in the applicable Land Titles Office in which the Lands are registered, then, at the sole option of the Vendor, the following provision shall prevail, namely:
 - i) The Purchaser shall be obliged to retain a lawyer, who is both an authorized TERS user and in good standing with the Law Society of Upper Canada, to represent the Purchaser in connection with the completion of this transaction, and shall authorize such lawyer to enter into an escrow closing agreement with the Vendor's solicitor in the form appearing on the Law Society of Upper Canada's web site (hereinafter referred to as the "Document Registration Agreement"), establishing the procedures and timing for completing this transaction, and to be delivered by the Vendor's solicitor to the Purchaser's lawyer no later than two (2) days before the Closing date;
 - ii) The delivery and exchange of documents and monies pertaining to this transaction, and the release thereof to the Vendor and the Purchaser, as the case may be:
 - (1) shall not occur contemporaneously with the registration of the transfer/deed (and other registerable documentation) and,

- (2) shall be governed by the Document Registration Agreement, pursuant to which the solicitor receiving any documents and/or certified funds will be required to hold same in escrow, and will not be entitled to release same except with the provisions of the Document Registration Agreement;
- iii) If the Purchaser's lawyer is unwilling or unable to complete the transaction by TERS in accordance with the Provisions contemplated under the Document Registration Agreement, then said lawyer (of the authorized agent thereof) shall be obliged to personally attend at the office of the Vendor's solicitor's at such time on the Scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon in order to complete this transaction by TERS utilizing the computer facilities in the Vendor's solicitor's office;
- iv) The Purchaser expressly acknowledges and agrees that he/she will not be entitled to receive the transfer/deed to the Property for registration until the balance of the funds due on closing, in accordance with the statement of adjustments, are paid to the Vendor's
- v) solicitor, either by personal delivery of a certified cheque or bank draft or by electronic funds transfer (or such other manner as the Vendor's solicitor may direct);
- vi) Each of the parties hereto agrees that the delivery of any documents which are not intended for registration on title to the Property may be delivered to the other party hereto by telefax transmission (or by a similar system reproducing the original), provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The party transmitting any such documents shall also deliver the originals of same to the recipient party by overnight courier sent the day of closing;
- vii) Notwithstanding anything contained in this agreement to the contrary, it is expressly understood 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:
 - (1) delivered all closing documents and funds to the Purchaser's solicitor in accordance with the provision of the Document Registration Agreement;
 - (2) 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 provision of this Agreement; and
 - (3) has completed all steps required by TERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor, and specifically when the completeness signatory for the transfer/deed has been electronically signed by the Vendor's solicitor, without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents and/or funds and without any requirement to have an independent witness evidencing the foregoing.

TITLE

53. The Purchaser accepts title to the Property subject to the building or other restrictions and subdivision, development, site control and other agreements thereon and agrees to observe and comply with the said agreements and restrictions and if required will sign the Transfer herein indicating such consent. The Purchaser agrees that the Vendor shall not be required on closing or thereafter to obtain releases of such subdivision, development, site control or other agreements provided that same have been complied with as of date of closing. The Purchaser is to satisfy itself as to compliance.
54. The Purchaser shall advise the Vendor's solicitor forthwith how title will be taken.

AFTER CLOSING

55. The Purchaser shall not have any property or items on the premises prior to closing. The Vendor will not be responsible for loss or damage to fixtures, appliances or any other property of the Purchaser left on the premises prior to closing;
56. The Purchaser agrees not to finish the whole or part of the basement of the dwelling for a period of twenty-four months after the closing date. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of damage of basement improvements and chattels stored in basement resulting from water seepage, leaks, or any sort of water damage whatsoever;
57. The Purchaser acknowledges and agrees that if any company or individual other than the company that installed the garage door installs a garage door opener then the warranty on the garage door shall become void and at that point the Purchaser assumes responsibility for any repairs;
58. The Purchaser agrees to be responsible to ensure that the water shut off valve "water box or water barrel" is functioning at all times, is not buried, is set at ground level at a position acceptable to the City, and is accessible. The Purchaser is responsible to ensure if the Purchaser installs a new driveway, the water shut-off valve is tested both before and after the installation;
59. The Purchaser will not change, interfere with or alter the grades, elevations or levels of the Property or rear or side lot swales, as approved by the City, in any way which would affect the approved drainage pattern and any such change, interference or alteration may be corrected by the Vendor at the Purchaser's expense and the Purchaser agrees to make payment upon demand. With respect to the Property, the Purchaser will not erect any external television antenna, nor cut down or remove any living tree nor damage any of the services;
60. The Purchaser agrees not to construct any accessory building, any addition to an existing building, a pool or pool enclosure, a fence, any permanent hard surface, walkway, or driveway, install or alter any landscaping, or alter any exterior lot work completed by the Vendor until the Vendor has received written approval of grading from the City and the Purchaser is informed by the Vendor in writing that the grading has been approved;
61. The Purchaser agrees to be solely responsible for watering and general maintenance of sod from the date of closing or from the date the sod is laid, whichever shall be later, and the Vendor shall have no obligations in that regard whatsoever. If the Vendor is required to replace any sod as a result of the Purchaser's default hereunder, the Purchaser agrees to reimburse the Vendor for all costs associated with the replacement or repair forthwith after demand for reimbursement is delivered to the Purchaser. The Purchaser agrees to be solely responsible for any settling of soils after the final grading has been approved or after the closing date, whichever is later;
62. The Purchaser acknowledges and agrees that lot grading, sod, driveway, any landscaping or related works will be completed after site works have been completed to the satisfaction of the City, Municipality or other required authority. Site works include, but are not limited to: curbs, sidewalks, utility services, top coat street asphalt or other related works;
63. The Purchaser shall reimburse the Vendor for the cost, or any amount that the Vendor may be obliged to pay, plus applicable HST, for damage caused by the Purchaser or by those for whom the Purchaser is in law responsible, to any services installed in the subdivision, including, but not limited to, survey stakes, landscaping, water shut-off valves, curbs, curb cuts, streets, roads, sidewalks, walkways, street signs, street lighting, sanitary and storm sewers, or any services installed by or on behalf of any public or private utility;

DEFINITIONS

64. "Addendum" means the Tarion Addendum (Schedule "T") attached to and forming part of this Agreement of Purchase and Sale.
65. "Approving Authority" has the meaning ascribed to it in Schedule "A" of the Addendum
66. "Business Day" has the meaning ascribed to it in Section 1 of the Addendum
67. "Close" and "Closing" have the meanings ascribed to them in Section 1 of the Addendum
68. "Delayed Closing Date" has the meaning ascribed to it in Section 1 of the Addendum
69. "Developer" means any predecessor in title to the Land who has obligations to the Approving Authority for subdivision or servicing of the Land.
70. "Document Registration Agreement" has the meaning ascribed to it in Section 44(h)i) hereof.
71. "Firm Closing Date" has the meaning ascribed to it in Section 1 of the Addendum.
72. "HST" has the meaning ascribed to it in Section 36 hereof.
73. "GST Act" has the meaning ascribed to it in Section 36 hereof.
74. "Land Registry Office" means the Land Registry Office for the Land Titles Division in which the Land is recorded and registered.
75. "Purchaser's Solicitor" shall be the firm identified as such on the 2nd page of this agreement.
76. "Rebate" has the meaning ascribed to it in Section 37 hereof.
77. "Tarion" means Tarion Warranty Corporation and its successors and assigns.
78. "TERS" has the meaning ascribed to it in Section 44(h) hereof.
79. "Unavoidable Delay" has the meaning ascribed to it in Section 1 of the Addendum.
80. "Vendor's Solicitor" shall be the firm identified as such on the 2nd page of this agreement.

This offer and its acceptance are to be read with all changes of gender or number required by the context.

AGREEMENT OF PURCHASE AND SALE

Schedule "P" Access to and Park Membership for Serenity Bay Lake Club

The Purchaser(s) acknowledge and agree as follows:

The Park is located at 3504 Grayshott Drive, Orillia, and includes gated access along Grayshott Drive, a playground structure, floating dock and picnic tables.

The Park will be owned by a not-for-profit corporation, which is anticipated to be known as Serenity Bay Lake Club (the "Club"). In order to become a member of the Club, one must be the registered owner of a property within the proposed plan of subdivision (the "Subdivision") within which the property (the "Property") referred to in the Agreement of Purchase and Sale to which this Schedule is appended is located. Access to the Park shall, at all times, be restricted to members of the Club and their invited guests.

Upon completion of the purchase of the Property, the Purchaser(s) hereby agree to execute such documents as may be required by the Vendor and its solicitor in order to join the membership of the Club and to use the Park. There shall be no additional costs or charges relating to joining the membership on closing.

Important information about the Park and Membership:

- Members of the Club will enjoy seasonal (late spring, summer and early fall) use and enjoyment of the Park pursuant to a Club Membership Agreement;
- Upon opening of the Park, a property manager will be engaged to manage all required maintenance and repair obligations relating to the Park, to collect fees and to manage all costs and payments associated with the Park;
- LIV (Lake Couchiching Residence) LP ("LIV") will contribute \$271,500 Dollars to the Club in order to cover anticipated costs associated with the ongoing repair, maintenance, property management, insurance and taxes relating to the Park for the time period immediately following the opening of the Park. It is currently anticipated that such contribution will cover minimum costs relating to the Park for approximately 5 years. So long as LIV's contribution covers ongoing costs, Purchasers will not be required to pay the membership fee outlined below;
- It is anticipated that the Park will be open for use by members during the first year of full occupancy of dwellings within the Subdivision;
- Following the first 5 years, (or sooner should funds be required) the Club shall assume all ongoing obligations relating to the Park and, in order to continue to access and use of the Park, members will be required to pay a membership fee in order to support the ongoing costs relating to the Park. At this time, it is anticipated that this yearly fee will be approximately \$300/per dwelling;
- In the event of a sale or transfer of a property within the Subdivision, the transferor will no longer be entitled to remain as a member of the Club. The transferee/new owner will be entitled to become a member of the Club, subject to execution of any necessary documentation required by the Club;
- The Park is or will be subject to restrictive covenants registered on title, which will restrict the use of the Park to parkland;
- Members of the Club will have certain statutory rights including rights to vote, attend meetings, elect directors to the board, and receive financial statements.

AGREEMENT OF PURCHASE AND SALE

Schedule "W" Warning Clauses

1. The Purchaser acknowledges that there may be curbs and sidewalks on both sides of municipal roads in accordance with the requirements of the Township of Severn;
2. Purchasers are advised that no alteration of the drainage plan for the property or surrounding properties is permitted without the express written approval of the Township of Severn;
3. Purchasers are advised that on-street parking may be limited in terms of location and duration;
4. Purchasers are advised that grading of lots may require the use of retaining walls. All future maintenance and repair of retaining walls on individual lots shall be the responsibility of the purchaser;
5. Any retaining walls including their granular base foundation support, drainage pipes and fencing must be located completely within private property and property owners will own the walls and have full responsibility for the required maintenance, repair or replacement of the retaining walls.
6. Purchasers are advised that there shall not be any gates or informal access points in/through fences backing onto the Open Space Blocks or Park Blocks;
7. Purchasers are advised that bussing may be required to transport children from within this subdivision to elementary and secondary schools;
8. Purchasers are advised that door to door Postal Service will not be available within this development and that the Purchaser's mail will be delivered to a Centralized Community Mailbox located in the vicinity of the development, the exact location of which has not yet been determined.
9. Purchasers / tenants are advised that the developers/owners shall be responsible for officially notifying the purchasers of the exact Centralized Mailbox locations prior to the closing of any home sales.
10. The Purchaser acknowledges that this property will have a Subdivision Agreement registered on title. The Owner shall be bound by this agreement, more specifically with the requirements to comply with grading and drainage requirement of the Township of Severn.
11. Purchasers are advised that their lot may contain one or more utility boxes and/or a catch basin and that the locations of these items are fixed and cannot be altered by the builder.
12. The Purchasers acknowledge that there may be a rear yard catch basin or drainage swale associated with a rear yard catch basin within the said lot or block and that the owner of the lot or block with a rear yard catch basin or drainage swale is responsible for the operation and maintenance of the rear yard catchbasin or drainage swale on that lot or block and that the owner agrees not to interfere, alter, change or remove the catch basin or its connection to the Township main sewer.
13. Purchasers are advised that the Orillia Gun Club is located at RR 3 Stn Main, Orillia, ON L3V 6H3
14. Township of Severn Tenants are advised that due to high groundwater levels within this area, the construction of swimming pools and accessory structures may be prohibited or may require extraordinary or unusual engineering; further, the discharge of chemically treated water into the sensitive natural heritage features may be prohibited.
15. The Vendor under this Agreement reserves the right, notwithstanding completion of the sale, to enter upon the lot or block sold for a period of one (1) year after the completion of the sale, or until expiration of the maintenance period for the work specified in the Subdivision Agreement, to be entered into by the Vendor with the City, (the "Works"), whichever date is later, to alter the grading of the lands to comply with the grading specifications approved by the Director of Building Services for the Township of Severn with respect to the said lot or block.
16. Garages provided are intended for use as parking. It is the responsibility of the owner/tenant to ensure that their parking needs (including those of visitors) can be accommodated on site.
17. It is the responsibility of the property owner/tenant to ensure that the parking provided on site is sufficient for his/her needs. Parking in the surrounding neighbourhood may be restrictive.
18. Purchasers are advised that temporary roads and/or turnarounds will be either removed or extended, as the case may be, in the future when development of adjacent lands proceeds
19. Purchasers are advised that each lot and block within the plan is subject to a municipal property tax assessment and the owner of such lot or block shall, upon completion of assessment by the Township, receive a notice for payment of municipal property tax back to the time of registration of the lot or block.
20. Purchasers are advised that each lot and block within the plan may require a sump pump.
21. Purchasers are advised that each lot and block maybe subject to easements for Hydro Vault Concrete Slab Transformer
22. Purchasers are advised that each lot or block maybe subject to easements for the purpose of catch basin or storm water management.
23. Prospective purchasers are advised that the public schools on designated sites in the community is not guaranteed Attendance at schools in the area yet to be constructed is also not guaranteed. Pupils may be accommodated in temporary facilities and/or be directed to facilities outside of the area.
24. Prospective purchasers are advised that school buses will not enter cul-de-sacs and that pick-up points will generally be located on through streets convenient to the Board. Pick-up points will not be located within the Subdivision until major construction activity has been completed.
25. Prospective purchasers are advised that pupils from this development attending educational facilities operated by the Simcoe Muskoka Catholic District School Board may be transported to or accommodated in temporary facilities located outside of the neighbourhood school's area.
26. Community Mailboxes are located at Seabridge Street Side yard of lot 32, Side yard of Block 79, Side yard Lot 108 and Side yard of Lot 66
27. Purchasers of townhouse dwelling units are hereby advised that rear yard access may be entirely through the habitable portion of the dwelling unit or via easement(s) with associated restrictions (e.g., fencing).

**Freehold Form
(Tentative Closing Date)**

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

VENDOR

Full Name(s)

PURCHASER

Full Name(s)

1. Critical Dates

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

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

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

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

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

2. Notice Period for a Delay of Closing

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

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

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

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

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

3. Purchaser's Termination Period

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

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

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

Acknowledged this ____ day of _____, 20____.

VENDOR: _____

PURCHASER: _____

**Freehold Form
(Tentative Closing Date)**

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

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

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

The Vendor shall complete all blanks set out below.

VENDOR

Full Name(s)			
_____		_____	
HCRA Licence Number		Address	
_____		_____	
Phone	City	Province	Postal Code
_____	_____	_____	_____
Fax	Email*		
_____	_____		

PURCHASER

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

PROPERTY DESCRIPTION

Municipal Address			
_____		_____	
City		Province	
_____		Postal Code	
_____		_____	
Short Legal Description			

Number of Homes in the Freehold Project _____ (if applicable – see Schedule A)			

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

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

If yes, the nature of the confirmation is as follows: _____

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

- (c) A building permit has been issued for the Property. Yes No
- (d) Commencement of Construction: has occurred; or is expected to occur by the ____ day of _____, 20__.

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

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

Freehold Form (Tentative Closing Date)

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

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

2. Changing the Firm Closing Date – Three Ways

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

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

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

4. Changing Critical Dates – By Mutual Agreement

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

Freehold Form (Tentative Closing Date)

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

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

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

5. Extending Dates – Due to Unavoidable Delay

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

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

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

**Freehold Form
(Tentative Closing Date)**

Condition #1 (if applicable)

Description of the Early Termination Condition:

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

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

Condition #2 (if applicable)

Description of the Early Termination Condition:

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

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

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

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

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

Freehold Form (Tentative Closing Date)

MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

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

8. Adjustments to Purchase Price

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

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

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

Freehold Form (Tentative Closing Date)

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

10. Termination of the Purchase Agreement

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

11. Refund of Monies Paid on Termination

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

12. Definitions

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

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

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

Freehold Form (Tentative Closing Date)

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

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

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

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

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

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

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

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

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

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

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

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

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

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

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

**Freehold Form
(Tentative Closing Date)**

15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

**Freehold Form
(Tentative Closing Date)**

SCHEDULE A

Types of Permitted Early Termination Conditions

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

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

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

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

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

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

2. The following definitions apply in this Schedule:

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

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

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

3. Each condition must:

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

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

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

**Freehold Form
(Tentative Closing Date)**

SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

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

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

**Freehold Form
(Tentative Closing Date)**

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

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

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