



AGREEMENT OF PURCHASE AND SALE

VENDOR DESIGNATED LOT 944 MODEL AMELIA (36-03) ELEVATION C

1. The undersigned, Erin Doe (the "Purchaser"), hereby agrees with Lakeview Homes (Erin Glen) Inc. (the "Vendor") to purchase all and singular the lands and premises in the Town of Erin (the "Municipality"), being Lot No. 944 according to registered Plan 61M-259 or, if applicable, a plan of subdivision of part of N/A to be registered, as shown outlined on the plan attached hereto as Schedule "C" (the "Real Property") and on which has been or is to be constructed a dwelling house as hereinafter provided (the "Dwelling") at the purchase price of: _____ DOLLARS (\$ _____) of lawful money of Canada (the "Purchase Price"), payable by cheques with this offer follows to the Vendor as deposits (collectively, the "Deposit"):

DEPOSIT STRUCTURE:

- a. **TWENTY THOUSAND DOLLARS (\$ 20,000.00)** with this offer
- b. **TWENTY THOUSAND DOLLARS (\$ 20,000.00)** dated on or before **April 18, 2025**
- c. **TWENTY THOUSAND DOLLARS (\$ 20,000.00)** dated on or before **May 18, 2025**
- d. **TWENTY THOUSAND DOLLARS (\$ 20,000.00)** dated on or before **June 17, 2025**
- e. **TWENTY THOUSAND DOLLARS (\$ 20,000.00)** dated on or before **July 17, 2025**
- f. **TWENTY THOUSAND DOLLARS (\$ 20,000.00)** dated on or before **August 16, 2025**
- g. **DOLLARS (\$)** dated on or before _____

and covenants, promises, and agrees to pay the balance of the Purchase Price by wire transfer from the trust account of the Purchaser's solicitor or by certified cheque drawn on the trust account of the Purchaser's solicitor at a Canadian chartered bank to the Vendor or as the Vendor may direct on the Closing Date (as hereinafter defined), subject to the adjustments hereinafter set out.

- 2. This transaction of purchase and sale is to be completed on November 26, 2025 (the First Tentative Closing Date - as defined in the Statement of Critical Dates being a part of the Addendum as hereinafter defined) or such extended or accelerated date established in accordance with the terms of this Agreement including, without limitation, the Addendum (the "Closing Date" or "Date of Closing").
- 3. This offer shall be irrevocable by the Purchaser until 5:00 p.m. on March 29, 2025, after which time, if not accepted, this offer shall be null and void.
- 4. The following Schedules of this Agreement, if attached hereto, shall form a part of this Agreement. If there is a form of Acknowledgement attached hereto same shall form part of this Agreement and shall be executed by the Purchaser and delivered to the Vendor on the Closing Date. The Purchaser acknowledges that he has read all Sections and Schedules of this Agreement, if any:
 - (a) Schedules B, C, J and G
 - (b) Statement of Critical Dates and the Addendum (collectively, the "Addendum"), along with the Warranty Information for new Freehold Homes.
 - (c) Schedules A, D, E, K, N, N-C, _____.
- 5. The Purchaser's address for delivery of any notices pursuant to this Agreement is the address as set out in the Addendum.

THE PURCHASER WARRANTS THEY HAVE NOT RELIED ON ANY FORM OF VERBAL REPRESENTATION.

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

In the presence of:

)
)
)Purchaser: Erin Doe D.O.B. March 01, 1990
)
)Purchaser: _____ D.O.B. _____

Contact information of Purchaser: **Erin Doe** (as set out in the Addendum)
 Address: 123 Main Street, Erinville, Ontario, Canada, L9O4V5
 Phone Number (s): _____
 Email Address: info@lakeviewhomesinc.com

Contact information of Purchaser:
 Address: _____
 Phone Number (s): _____
 Email Address: _____

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

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

LAKEVIEW HOMES (ERIN GLEN) INC.

Per: _____
 [Authorized Signing Officer]

Vendor's Solicitors: Owen Wright LLP Attention: Tash Balog (Law Clerk)
 300-20 Holly Street Telephone No.: 416-848-4728
 Toronto, Ontario, M4S3B1 Solicitor: Phil Draper

QUALITY EXTERIOR CONSTRUCTION

1. Lakeview's custom designed elevations by award winning designers. Inspired exteriors which include genuine clay brick, fabricated stone, stucco, ornamental trim, vinyl siding, masonry sills, decorative shutters (where applicable as per plan).
2. House siting and exterior colours coordinated for a harmonious streetscape per the community architectural control guidelines.
3. Self-sealing roof shingles (manufacturer's limited lifetime warranty).
4. Aluminum soffits, eavestrough, fascia, downspouts.
5. Sodded lot, except paved areas (side yard may be finished with granular stone). Driveways to be paved with base coat of asphalt, as well as a second coat on driveway apron. The Purchaser will pay an amount not to exceed \$1000 (plus HST) as an adjustment on closing for the second coat of asphalt. ⁽¹⁰⁾
6. Precast concrete slab walkway from driveway to front door entry.
7. Black aluminum railings to front porch and stairs when required by Building Code (any railings shown on brochures are not included unless required by the Building Code).

WINDOWS AND DOORS

8. Satin nickel finish front door entry grip set and deadbolt (style varies with elevations).
9. **ENERGY STAR**® qualified front entry door with glass insert as per plan. ⁽⁶⁾
10. Wide 6, 9 & 12 ft sliding doors in breakfast area with screen, where applicable as per plan. Where model has a french or garden door, screens are not included. ^{(2) (6)}
11. **ENERGY STAR**® qualified vinyl windows to all elevations (fixed or operators as per plan and as per architectural controlled colour packages, front elevation window colours will differ from sides and rear on selected packages and elevations) - all operable windows are complete with screens.
12. Walkout basement conditions, where applicable, premium cost includes: basement sliding/swing door (as per plan), larger rear basement vinyl window, pressure treated wood balcony, and an additional light and electrical outlet.
13. Deck conditions, where applicable (more than 3 risers from patio door), includes: a pressure treated wood deck and stairs to grade. Larger rear basement vinyl window also included for homes with 7 risers or more.
14. Premium quality panelled sectional **insulated** garage doors with light inserts (as per plan).
15. Door from the garage into the home, where shown on the plan. Where a grade difference of more than 3 risers, the Vendor reserves the right to substitute the door with a wall and not issue a credit to the Purchaser.

GOURMET KITCHEN

16. Choice of quality designed (**Level 2**) custom cabinets with metal drawer slides, from Vendor's standard samples.
17. Gourmet extended breakfast bars, as per plan.
18. Tall upper (100 cm) cabinets in Kitchen (note: shorter cabinets over fridge and stove).
19. Space for 36" wide x 72" high fridge, 30" space for freestanding range, and 24" space for dishwasher. ⁽⁶⁾
20. Receptacle for electric stove and dedicated electric outlet for refrigerator.
21. Choice of (**Level 1**) **quartz** or granite kitchen countertop from Vendor's standard samples, with double bowl stainless steel undermount sink and single lever faucet.
22. Kitchen exhaust fan over stove vented to exterior. ⁽¹⁾
23. Electrical outlets at counter level for small appliance. ⁽¹⁾
24. Dishwasher space provided in Kitchen with rough-in wiring and rough-in plumbing. ⁽⁸⁾

BATHS

25. Luxurious freestanding soaker tubs in Principal Ensuite bath with separate shower (as shown on plan). ⁽²⁾
26. Sleek styled aluminum framed shower glass to Principal Ensuite with chrome knob, hinges where applicable. ⁽²⁾
27. Water resistant board to approximately 36" high on tub and shower enclosure walls. ⁽⁶⁾
28. Choice of (**Level 1**) cabinets and laminate countertops for all bathroom vanities from, Vendor's standard samples. ⁽²⁾

29. Strip lights in all bathrooms (except special feature powder rooms).
30. **Bevelled mirror** to Principal Ensuite bath and Powder Room. All other baths to receive non-bevelled mirrors. ⁽⁶⁾
31. White bathroom fixtures, from Vendor's standard samples.
32. Electrical outlet (one) at vanity in all bathrooms.
33. **ENERGY STAR**® exhaust fans in all bathrooms.
34. Privacy locks on all bathroom doors.
35. Single lever faucets for all vanities.
36. Choice of (**Level 1**) 12"x12" or 13"x13" ceramic floor tile, and 8"x10" ceramic wall tile for all bathrooms, from Vendor's standard samples. ⁽⁶⁾
37. Principal Ensuite bath shower stall floors to receive 2"x2" matte white ceramic tiles, from Vendor's standard sample. All other bathroom nominal size shower floors to have an easy maintenance pre-formed white acrylic shower base. At the Vendor's sole discretion, Vendor may substitute the acrylic base with a 2"x2" matte white ceramic tile base.
38. Pressure balance valves to all showers.
39. **Feature Powder Room** includes choice of (**Level 2**) **cabinet with metal legs**, white **quartz** counter with rectangular undermount sink, single lever **upgraded faucet**, bevelled mirror & coordinating decorative lighting.

LUXURY INTERIOR FINISHES

40. Choice of quality tile flooring standard throughout all main floor tiled areas to receive (Level 1) 12" x 12" or 13" x 13" ceramic floor, from Vendor's standard samples as per plan. ⁽⁶⁾
41. 3 1/4" wide Level 2 stained oak finish Engineered Flooring planks to balance of ground floor and 2nd floor hall ⁽⁶⁾.
42. Choice of (Level 1) 40 oz broadloom or Berber carpet with 7/16" underpad to all bedrooms. ⁽⁶⁾
43. Coordinating (Level 1) **stained oak stairs** to all finished areas. Oak veneer stringer on main floor staircase with oak treads and veneer risers. Paint grade stairs to basement in unfinished areas. ⁽⁶⁾
44. Stained oak handrails, and choice of stained (Level 2) classic turned pickets with turned posts or contemporary square pickets with square posts, on the main stairs, as per plan.
45. Choice of **Classique or Contemporary** style designer moulded interior passage doors throughout with coordinating **Classique or Contemporary** style baseboards (4 1/4") and casing (2 3/4") in all finished areas for **33.5'** product; baseboards (5") and casing (2 3/4") in all finished areas for **36' and 40'** product to All main floor archways are trimmed where wing walls protrude. ⁽⁶⁾
46. **9 ft. ceilings on main and 8 ft. ceilings on 2nd floor.** Main floor interior arches to be 8'. Interior door heights be 7'. ^{(6) (7)}
47. Satin nickel levered interior door hardware. Front entry exterior door hardware to coordinate with exterior hardware finish.
48. Interior walls and trim to be painted with **Low VOC** latex paint. Trim and doors to be painted white, and walls to be from one of the Vendor's standard samples.
49. Elegant coffered/tray ceilings in Principal Bedrooms as per plan.
50. **Elegant natural gas fireplace with transitional style mantle** included for standard fireplaces, from Vendor's standard sample. ⁽²⁾ (does not apply to optional fireplaces).
51. **Smooth ceilings to Main floor**, all bathrooms and Laundry room. Balance of home to be stippled ceiling with 4" smooth border. ^{(2) (6)}

Initials _____



The Following applies to those items where indicated above. (1) Location will be determined by the Vendor (fees to be paid by Purchaser will apply for customizing the location at the Purchasers request). (2) This Feature only applicable for plans that contain the required area/room on the plan as determined by Vendor. (3) **Hot water tank is a rental gas unit, power vented to exterior. Purchaser must execute Rental Agreement with the appropriate rental company.** (4) Position of furnace, hot water tank may vary on plans. (5) Except for bathroom vanity, dining room & exterior lighting. (6) Dimensions/values used are nominal industry dimensions/values and are not exact and will vary. (7) Certain areas may have lower ceiling due to mechanical runs, decorative elements or structural components as determined by Vendor. (8) Purchaser will be required to complete additional work at their expense to make operational. (9) **Energy Star® construction specifications my change in compliance with the ESNH-2012 requirement. The ENERGY STAR® Mark is administered and promoted in Canada by Natural Resources Canada and used with permission.**

ELECTRICAL

52. 100-amp service circuit breaker panel.
53. Electrical outlets in all bathrooms to be ground fault interrupted. ⁽¹⁾
54. Two exterior weatherproof electrical outlets with ground fault interrupter (one at front of home, one at rear). ⁽¹⁾
55. Light fixtures to all bedroom ceilings, 2nd floor hall at stairs, hallways, Living Room, Library, and Kitchen/Breakfast. Dining room to receive capped electrical for future light fixture. ^{(1) (2) (8)}
56. Switch controlled receptacle in Great Room. ⁽¹⁾
57. Two electrical outlets in the garage, one on the wall, one for a future garage opener.
58. One electrical outlet in unfinished basement by electrical panel.
59. Door chime at front entry door.
60. Cat6 cable rough-in for TV from electrical panel to location in Great Room and Principal Bedroom. ^{(1) (8)}
61. Electrical for wall mounted TV in main floor Great room/Family room. ^{(1) (8)}
62. Rough in central vacuum pipe to garage for main, 2nd, and 3rd floor. ^{(1) (8)}
63. Rough-in wiring for future alarm system: main floor operational windows/doors, one keypad, and one motion location (wires dropped to basement). ^{(1) (8)}
64. Telephone rough-in to kitchen and Principal bedroom (wires dropped to basement). ^{(1) (8)}
65. Cat6 networking cable rough-in from electrical panel location to study niche/den/library (as per plan). ^{(1) (2) (8)}
66. Hard wired smoke detectors and carbon monoxide detectors.
67. White Decora style switches in all finished areas.



ENERGY SAVING FEATURES

68. **ENERGY STAR**[®]. ⁽⁹⁾
69. High-efficiency **ENERGY STAR**[®] furnace.
70. Furnace size to accommodate future air conditioner system. ⁽⁸⁾
71. Sealed ductwork (supply air runs per **ENERGY STAR**[®] specifications).
72. Heat Recovery Ventilator (HRV) for fresh air circulation. ⁽⁴⁾
73. **Ecobee** wifi enabled programmable thermostat. ⁽⁸⁾
74. High-efficiency insulation design to **ENERGY STAR**[®]. ^{(6) (9)}
75. High-efficiency rental hot water tank. ^{(3) (4)}
76. **ENERGY STAR**[®] qualified windows. ⁽⁹⁾
77. Energy efficient lighting. ⁽⁵⁾
78. Drain water heat recovery system (DWHR).
79. Tight building envelope construction, 3rd party tested and **ENERGY STAR**[®] Certified. ⁽⁹⁾
80. All sub-floors above the garage are sealed with spray-in-place foam insulation.

ALSO INCLUDED

81. Engineered floor joist system with tongue and groove sub-flooring (to be glued, screwed down, and all joints sanded).
82. Metal transition or coordinating T strips for abutting flooring materials.
83. 7' 10" ^{(6) (7)} poured concrete basement walls with damp proofing, high quality drainage membrane, and weeping tile at all exterior walls (excluding garage).
84. Laundry: freestanding tub included as per plan ⁽¹⁾. Floor drain to all 2nd floor laundry rooms. ⁽²⁾ Electrical outlet for future washer and dryer, as per plan. Dryer vent to exterior. ⁽⁸⁾
85. Concrete basement floor with drain.
86. Garage interior walls drywalled and primed.
87. Two exterior water taps (one in garage, one at house rear). ⁽¹⁾
88. Shut off valves for all sinks and toilets.
89. Ductwork professionally cleaned.
90. **Interior Décor consultant to assist you in styling your home.**
91. **Personal Assistance - 10 Steps to homeowner happiness.**

WARRANTY:

92. Customer Care – We are here for you! Backed by Tarion with Lakeview's excellent rating warranty.
93. Warranty applies to all workmanship and materials for (1) year; for defects in workmanship and materials on electrical, plumbing, heating distribution systems and building envelope for two (2) years, and for any major structural defects for (7) years. Purchaser agrees to pay Tarion Warranty Program fee as an adjustment on closing.

The Purchaser acknowledges and accepts the following: All illustrations are artist's concept. Plans, all dimensions, and all specifications that are shown on the brochures or reference documents accompanying this agreement, or any subsequent document, are approximate and subject to change at the discretion of the Vendor. Any material may be substituted for those of equal or better quality at the Vendor's discretion. Any dimensions referenced are approximate. Purchaser shall have the right to select various finishes as permitted above from the Vendor's samples subject to their timely availability from the Vendor's normal supplier, and provided that the same has not already been ordered for this house. Colour, dimensional, and shading variations from Vendor's samples may occur in any material, including, but not limited to: bricks, finishing materials, kitchen and vanity cabinets, floor and wall finishes due to normal production process curing or natural occurring variations. Purchaser acknowledges that hardwood flooring may shrink and expand due to temperature and humidity in the house and accepts this as a natural characteristic of flooring and is advised to keep humidity levels consistent to reduce this tendency. Certain areas may have a lower ceiling due to mechanical runs, decorative elements or structural components as determined by Vendor. The laundry room, mudroom, foyer, or any other entrance landings, may be lowered adding steps where applicable to accommodate grading. Low headroom areas in the basement may be required to accommodate the laundry room, mudroom, foyer, or any other entrance landings. Steps where applicable may vary at any exterior or interior entranceway due to grading variance. Corner lots and priority lots may have special treatments which may require window changes and minor interior modifications to balance and improve the elevation of the house exposed to the street. When Purchaser is buying a house already under construction, Purchaser acknowledges that there may be deviations from the floor plan, elevation, or layout of this model, and Purchaser agrees to accept such changes as constructed. The Purchaser acknowledges that the Vendor's model homes, Sales centers Model renderings, and model photography have been decorated for public display purposes and may contain certain features, upgrade finishes, and augmented services which may not be included in the basic model type. Most additional features on display in the model homes are available as extras. Purchaser is notified that all lots have Architectural Controls applied to them, and that exterior architectural features may be added or altered at the Vendor's discretion to comply with Architectural Control Guidelines. The Vendor reserves the right to use visual representations of your homes, taken both during construction and after occupancy, for Marketing Advertising purposes, and I/we hereby consent to same. E.&O.E.

Initials _____



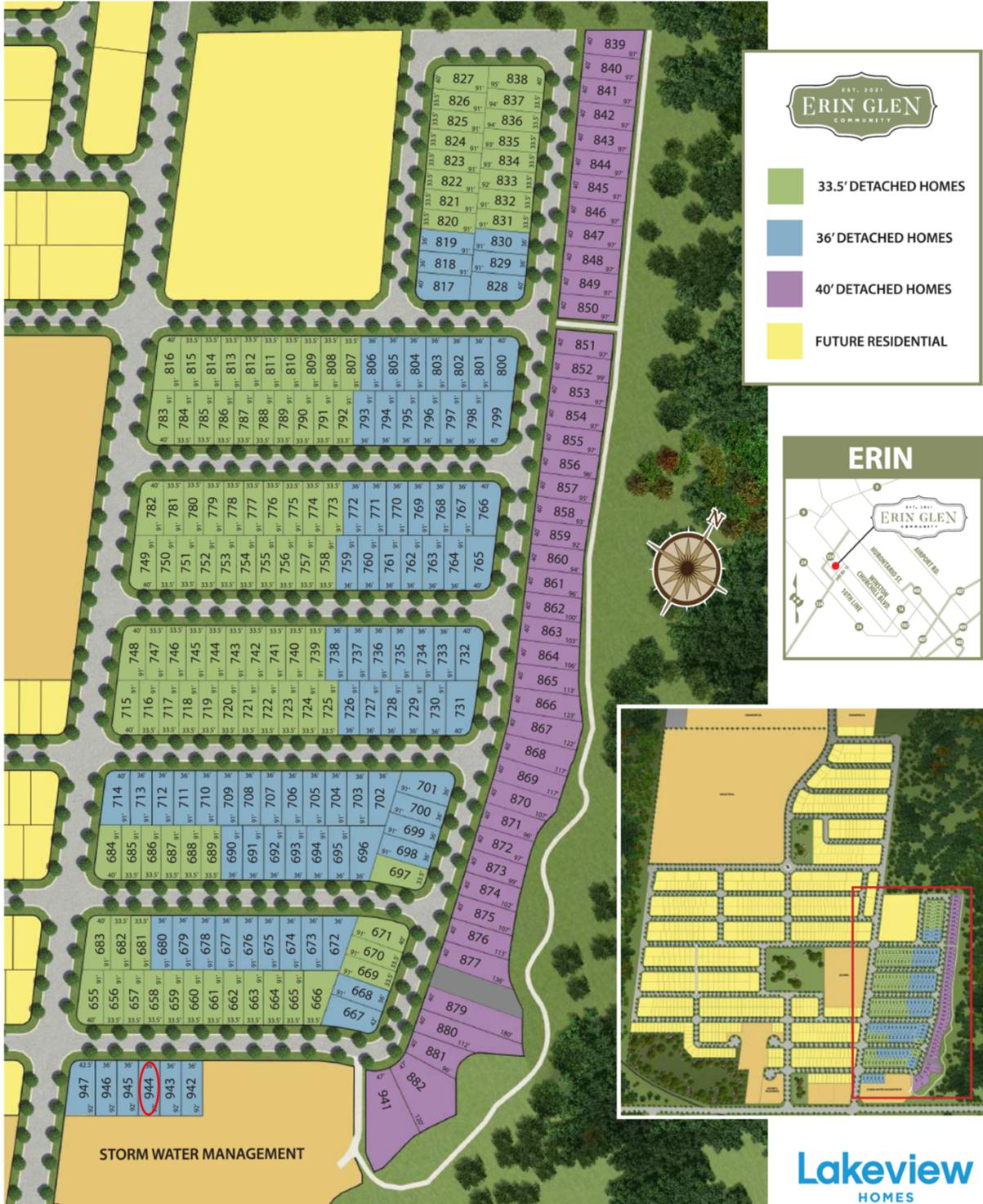
The Following applies to those items where indicated above. **(1)** Location will be determined by the Vendor (fees to be paid by Purchaser will apply for customizing the location at the Purchasers request). **(2)** This Feature only applicable for plans that contain the required area/room on the plan as determined by Vendor. **(3) Hot water tank is a rental gas unit, power vented to exterior. Purchaser must execute Rental Agreement with the appropriate rental company.** **(4)** Position of furnace, hot water tank may vary on plans. **(5)** Except for bathroom vanity, dining room & exterior lighting. **(6)** Dimensions/values used are nominal industry dimensions/values and are not exact and will vary. **(7)** Certain areas may have lower ceiling due to mechanical runs, decorative elements or structural components as determined by Vendor. **(8)** Purchaser will be required to complete additional work at their expense to make operational. **(9) Energy Star[®] construction specifications my change in compliance with the ESNH-2012 requirement. The ENERGY STAR[®] Mark is administered and promoted in Canada by Natural Resources Canada and used with permission.**

Schedule 'C'

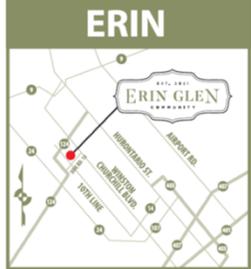
Site Plan



SITE PLAN



- 33.5' DETACHED HOMES
- 36' DETACHED HOMES
- 40' DETACHED HOMES
- FUTURE RESIDENTIAL



All plans and dimensions are approximate and subject to change at the discretion of the Vendor. Lot frontages refer to the minimum width of the lot at the building set back unless marked otherwise. Landscaping and park layout is artist's concept only. E. & O. E. May 5, 2021

SCHEDULE J

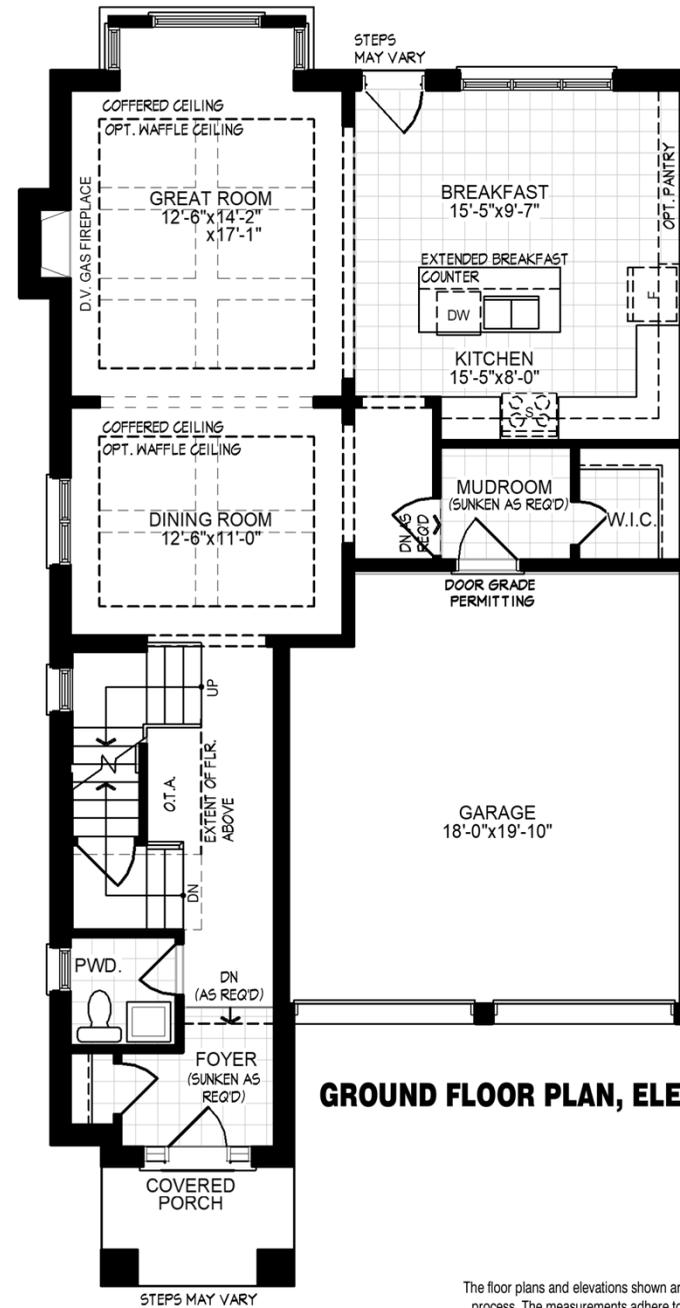
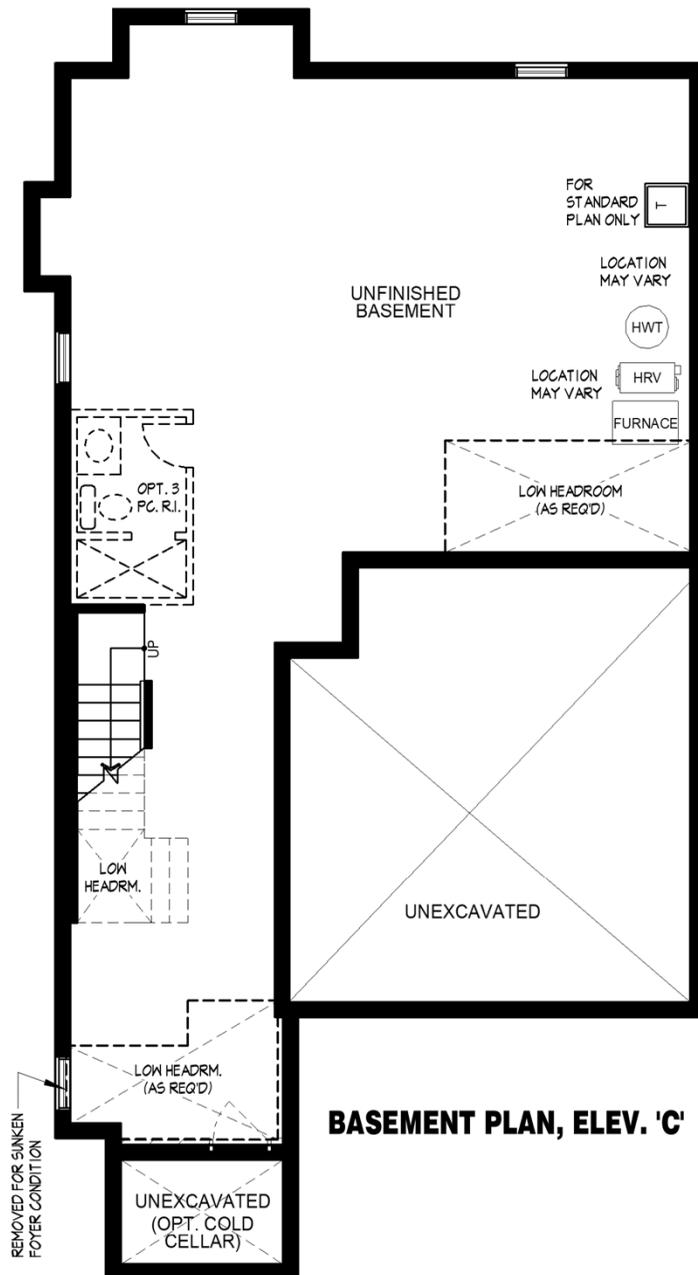
UNIT 3603 - 'AMELIA'
ELEV. 'C' - 2400 sq. ft.



Lot: 944



PART. GRND FLR. PLAN FOR ALT. SEC. FLR ELEV. 'C'



The floor plans and elevations shown are pre-construction plans and may be revised or improved as necessitated by architectural controls and the construction process. The measurements adhere to the rules and regulations of the TARIION Warranty Corporation's official method for the calculation of floor area. Actual usable floor space may vary from the stated floor area. Railings on front porch only where required by O.B.C. All images are artist concept only. E & O.E.

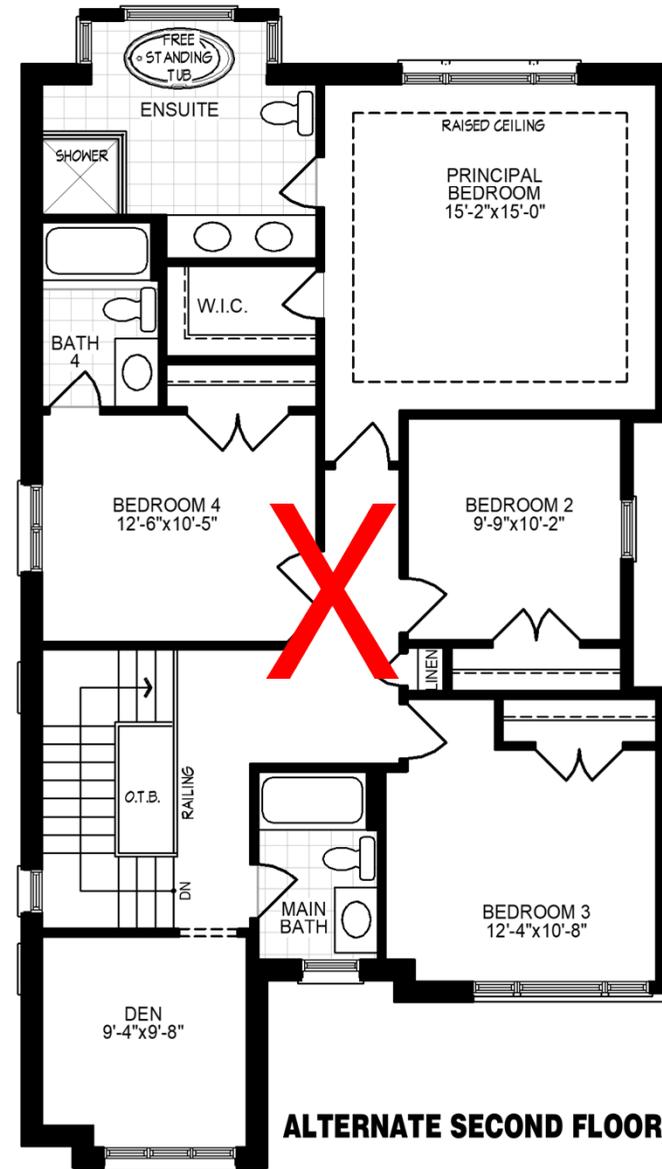
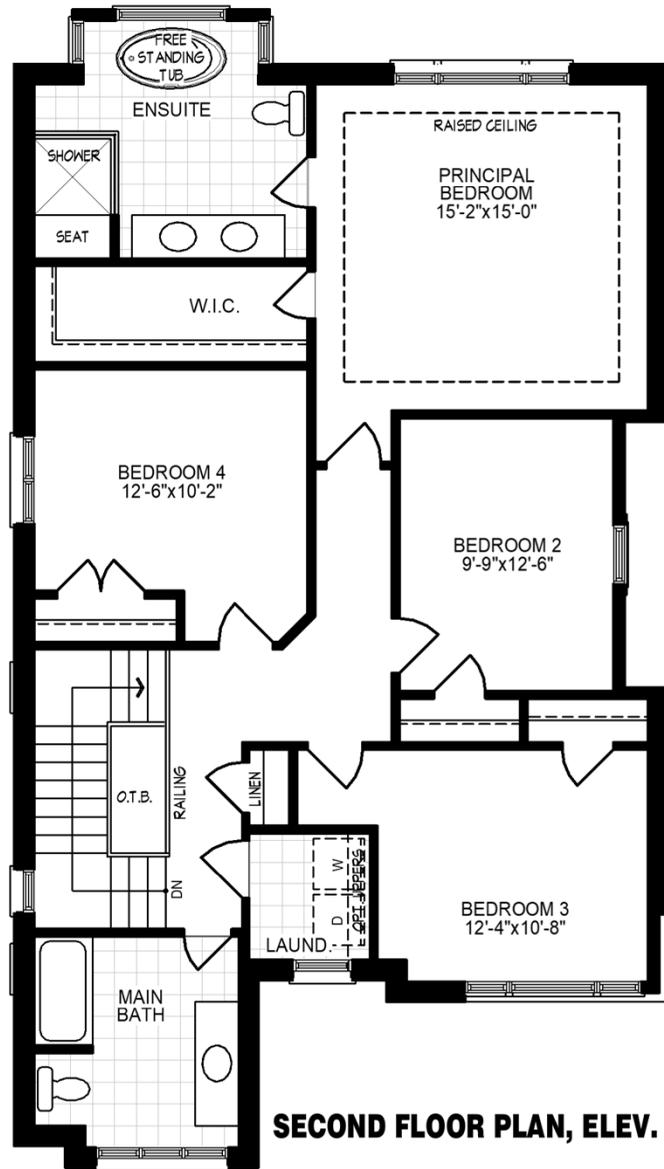
Lakeview

Building Memories, One Family at a Time

SCHEDULE J

UNIT 3603 - 'AMELIA'

ELEV. 'C' - 2400 sq. ft.



Lot: 944

HUNTLU
DESIGN ASSOCIATES INC.
www.huntludesign.ca

The floor plans and elevations shown are pre-construction plans and may be revised or improved as necessitated by architectural controls and the construction process. The measurements adhere to the rules and regulations of the TARIION Warranty Corporation's official method for the calculation of floor area. Actual usable floor space may vary from the stated floor area. Railings on front porch only where required by O.B.C. All images are artist concept only. E & O.E.

Schedule G

Project Name: Erin Glen		Page 1 of 1
Vendor: Lakeview Homes (Erin Glen) Inc		Lot # 944
Purchasers Name: Erin Doe		
Purchasers Contact Info:		Model Type AMELIA (36-03) C

The following items are included in the purchase price and form part of the Purchase and Sales Agreement

NO.	DESCRIPTION
1	The Purchaser shall receive a Design Studio allowance, inclusive of HST, to be spent at the Builder's Design Studio towards the price of finishing upgrades. The amount is non-negotiable, non-transferable, and has no cash value. The Purchaser acknowledges that the aforementioned amount cannot be applied towards structural upgrades.
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FOR REFERENCE ONLY

Purchaser's Acknowledgement

The Vendor will undertake to incorporate the above listed extras into the above HOME. In the event the work on the house has progressed beyond the point where items covered by this extra can be installed, then the Purchaser will accept a refund on closing for said optional extras without further recourse. If the Vendor fails to complete any of the above optional extras, the Purchaser will accept a refund for vendors cost on closing for said optional extras without further recourse. It is understood that no request for changes to the above extras will be accepted by the Vendor after acceptance of this order unless agreed to by the Vendor in writing, and at the Vendor's sole discretion. It is understood that additional conditions apply as detailed in the Schedule 'A' of the purchase and sales agreement.

PURCHASER: _____ **DATE:** _____

PURCHASER: _____ **DATE:** _____

ACCEPTED BY VENDOR: _____ **DATE:** _____

**Freehold Form
(Tentative Closing Date)**

Property LOT: 944

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 Lakeview Homes (Erin Glen) Inc.

Full Name (s)

PURCHASER Erin Doe

Full Name(s)

1. Critical Dates

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

the **26** day of **November**, **2025**

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 **26** day of **March**, **2026** .

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

the **24** day of **July**, **2026** .

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

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

the **30** day of **March**, **2027** .

2. Notice Period for a Delay of Closing

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

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

the **28** day of **August**, **2025** .

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

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

the **24** day of **December**, **2025** .

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

3. Purchaser's Termination Period

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

the **29** day of **April**, **2027** .

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,

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

Lakeview Homes (Erin Glen) Inc.			
Full Name(s) B60133	200 Bridgeland Avenua		
HCRA Licence Number 416-785-8172	Toronto	Ontario	M6A 1Z4
Phone 416-781-2981	info@lakeviewhomesinc.com		
Fax	Email *		

PURCHASER

Erin Doe			
Full Name(s) 123 Main Street	Erinville	Ontario	L9O4V5
Address	City	Province	Postal Code
Phone	Info@lakeviewhomesinc.com		
Fax	Email *		

PROPERTY DESCRIPTION

Lot # 944			
Municipal Address Erin	Ontario		
City	Province	Postal Code	
LOT, PLAN#61M-259			
Short Legal Description			
Number of Homes in the Freehold Project <u>230</u> (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: Letters dated 11-5-2020 & 12-18-2020 from the Law Firm Loopstra Nixon LLP, Barristers and Solicitors

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 3rd day of July, 2025.

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.]

	DESCRIPTION	SECTION IN SCHEDULE "A" OF THE PURCHASE AGREEMENT	AMOUNT
1.	Security for damage or unauthorised changes to grading, driveway and/or other amounts owed and/or for breach of Purchaser obligations.	18(g)	\$1,500.00
2.	Cheque return NSF	21	\$500 plus HST

FREEHOLD REFERENCE ONLY

**Freehold Form
(Tentative Closing Date)**

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

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

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

	<u>DESCRIPTION</u>	<u>SECTION IN SCHEDULE "A" OF THE PURCHASE AGREEMENT</u>
1	Upgrades and/or extras and/or charges	4; 18(c);23
2	Occupancy amounts	6
3	Release registration	14
4	Tarion enrolment fee, as well as the regulatory oversight fee collected by the HCRA, and such other fees collected by the Tarion and/or the HCRA	18(a)
5	Chattels and taxes thereon	18(b)
6	Realty taxes	18(d)
7	Utility meters, connection, installation, energization, etc. charges	18(e)
8	Utility authorities amounts and charges	18(f)
9	Installation of driveway	18(h)
10	LSUC charge imposed on Vendor or its solicitors	18(i)
11	Internet delivery of documentation	18(j)
12	Installation of fence, retaining wall, etc.	18(k)
13	Any taxes with respect to disposition of property or provision of goods or services that may be levied in the future	18(l)
14	Levies and/or any increase in the cost of any Levies	18(m)
15	Tree planting	18(n)
16	Community landscaping	18(o)
17	Survey	18(p)
18	Any adjustment agreed to in writing subsequent to the execution of the Agreement	18(q)
19	Re-adjustments	19
20	HST and Transitional Rebates where Purchaser does not qualify for the Rebates or does not provide the Rebate forms as required by the Vendor	22(a)
21	HST on adjustments, extras, upgrades, changes, etc. and reduction in quantum of HST Rebate	22(b)
22	Correcting certain Purchaser actions	27; 31; 40(d); 41; 67
23	Removing unauthorized title registrations	34
24	Use of Vendor's solicitor's computer facilities	38(c)
25	Interest and liquidated damages	40(d)
26	Purchaser indemnity for entry	42
27	Basement, backsplitted or rear deck, steps, windows, patio doors, etc.	63
28	Air conditioning unit or any additional improvements required by the Municipality	64

Warranty Information for New Freehold Homes

This information sheet provides a basic overview of the warranties and protections that come with your new home. This warranty is provided to you **by your builder** and backed by Tarion.

Register your purchase agreement! See Important Next Steps below.

For more detailed information, visit **tarion.com** and log into our online learning hub at <https://www.tarion.com/homeowners/homeowner-resources-hub>

The Pre-Delivery Inspection (PDI)

Before you take possession of your new home, your builder is required to conduct a pre-delivery inspection (PDI) with you or someone you designate to act on your behalf. If you wish, you may be accompanied by someone who can provide expert assistance. The PDI is important because it is an opportunity to learn about how to operate and maintain parts of your home, such as the ventilation, plumbing, and heating systems. It is also important because it gives you an opportunity to note items in your home that are damaged, missing, incomplete, or not working properly before you take possession of your home. This record is also significant as it may help show what items may have been damaged before you moved in and helps resolve any disputes relating to whether or not an item of damage was caused by the use of the home.

The PDI is only one piece of evidence relating to damaged or incomplete items, and you should note and document (e.g. via photos or video) any concerns or damaged items as soon as you notice them after taking possession if they were missed on your PDI. If the damaged items are not addressed by your builder, you can include them in your first warranty form submission to Tarion. Damaged items are covered under the warranty if the damage was caused by the builder or their trades. There is more information about the PDI here: <https://www.tarion.com/homeowners/homeowner-resources-hub>

Deposit Protection

The deposit you provide to your builder is protected up to certain limits if your builder goes bankrupt, fundamentally breaches your Agreement of Purchase and Sale or you exercise your legal right to terminate it. Deposit coverage limits are \$60,000 if the purchase price is \$600,000 or less and 10% of purchase price to a maximum of \$100,000 if the purchase

price is over \$600,000. This protection includes the money you put down towards upgrades and other extras.

Delayed Closing Coverage

Your builder guarantees that your home will be ready for you to move in by a date specified in the Agreement of Purchase and Sale or a date that has been properly extended (if for certain reasons the original closing date cannot be met). You may be able to claim up to \$7,500 from your builder in compensation if they do not meet the conditions for an allowable extension that are outlined in the Addendum to your Agreement of Purchase and Sale.

Warranty Coverage

The warranty on work and materials commences on your occupancy date and provides up to a maximum of \$400,000 in coverage. There are limitations on scope and duration as follows. Your builder warrants that your home will, on delivery, have these warranties:

One-Year Warranty

- Your home is constructed in a workmanlike manner, free from defects in material, is fit for habitation and complies with Ontario's Building Code
- Protects against unauthorized substitution of items specified in the Agreement of Purchase and Sale or selected by you

Two-Year Warranty

- Protects against water penetration through the basement or foundation walls, windows, and the building envelope
- Covers defects in work and materials in the electrical, plumbing, and heating delivery and distribution systems
- Covers defects in work and materials that result in the detachment, displacement, or deterioration of exterior cladding (such as brick work, aluminum, or vinyl siding)
- Protects against violations of Ontario's Building Code that affect health and safety

Seven-Year Warranty

- Protects against defects in work or materials that affect a structural load-bearing element of the home resulting in structural failure or that materially and adversely compromise the structural integrity; and/or that materially and adversely affect the use of a significant portion of the home.

Warranty Exclusions

Your warranty, provided to you by your builder and backed by Tarion, is a limited warranty – not all deficiencies are covered. And the protection provided by Tarion is also limited. Exclusions to coverage include: normal wear and tear, damage caused by improper maintenance, damage caused by a third party, secondary damage caused by defects that are under warranty, supplementary warranties, deficiencies caused by homeowner actions, elevators, HVAC appliances, specific defects accepted in writing and damage resulting from an Act of God.

Construction Performance Guidelines

The Construction Performance Guidelines are a resource to provide advance guidance as to how Tarion may decide disputes between homeowners and builders regarding defects in work or materials. The Construction Performance Guidelines are intended to complement Ontario's Building Code. They are supplemented by any applicable guidelines or standards produced by industry associations. They do not replace manufacturer warranties. The Construction Performance Guidelines are available in several different formats accessible via <https://tarion.com/builders/construction-performance-guidelines>

Important Next Steps

1. Start your new home buying journey off right by registering your purchase agreement for your new home with Tarion. It's simple, fast, and allows Tarion to start providing you with key information on your builder's warranty coverage and other protections before you get the keys to your new home. Register here: <https://myhome.tarion.com/s/purchase-agreement-registration>
2. Visit Tarion's website to learn more about your warranty coverage and the process for getting warranty assistance, as well as your rights, responsibilities, and obligations as a new homeowner.
3. Prepare for your pre-delivery inspection (PDI). Visit Tarion's website for helpful resources, including a PDI Checklist and educational videos.
4. Register for Tarion's **MyHome** right after you take possession. MyHome is an online tool you can use from your computer or mobile device that allows you to submit

warranty claims and upload supporting documents directly to your builder and Tarion. It also alerts you to important dates and warranty timelines, allows you to receive official correspondence from Tarion electronically, and schedule an inspection with Tarion when you need assistance.

About Tarion

Tarion is a not-for-profit organization that administers Ontario's new home warranty and protection program. Our role is to ensure that purchasers of new homes receive the warranties and protections, provided by their builder and backstopped by Tarion, that they are entitled to by law.

Contact us at **1-877-982-7466** or customerservice@tarion.com

SCHEDULE "A"**ADDITIONAL TERMS****DWELLING MATTERS, SITING, MATERIALS CHANGES, ETC**

1. The Vendor agrees that it will erect on the Real Property the Dwelling in accordance with plans and specifications (the "**Plans**") already examined by the Purchaser and in accordance with Schedule "B" attached hereto. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as requested or required by the Vendor's architect or any design consultants or by any governmental authority, change, alter, vary or modify the Plans, the siting of the Dwelling and/or the grading of the Real Property without notice thereof to the Purchaser. The Purchaser agrees to accept such changes, alterations, variations or modifications and, without limiting the generality of the foregoing, variations to the lot/block number, municipal address, location, area and frontage or depth of the Real Property without any abatement of the Purchase Price or claim for compensation whatsoever. The Purchaser also acknowledges and agrees that architectural control of exterior elevations, driveway construction, boulevard tree planting, landscaping, corner lot fencing (including the location of such corner lot fencing), exterior colour schemes, or any other material external to the Dwelling designed to enhance the aesthetics of the community as a whole, may be imposed by the Municipality and/or the subdivider and/or the developer. In the event the Vendor is required, in compliance with such architectural control requirements to construct an exterior elevation for the Dwelling other than as specified in this Agreement or amend the driveway construction or location, boulevard tree planting or landscaping plan for the Dwelling and/or Real Property, as the case may be, (all of which is hereinafter referred to as the "**Amended Exterior Plans**"), the Purchaser hereby irrevocably authorizes the Vendor to complete the Dwelling and/or Real Property, as the case may be, in accordance with the Amended Exterior Plans, and the Purchaser hereby irrevocably agrees to accept such Amended Exterior Plans in lieu of the plans for same specified in this Agreement without any abatement of the Purchase Price or claim for compensation whatsoever. The Vendor shall have the right, in its sole discretion, to construct the Dwelling either as shown on the Plans or to construct such Dwelling on a reverse mirror image plan, including reversal of the garage siting and reversal of the interior floor plan layout. Construction of a reverse mirror image plan is hereby irrevocably accepted by the Purchaser without any right of abatement of the Purchase Price or claim for compensation whatsoever. Further, in the event the Vendor determines, in its sole discretion, to construct the Dwelling at a grade level different than as depicted in the Plans, necessitating a step or series of steps to the front door, side door, rear door, or any door from the garage to the interior of the Dwelling or any elimination of the side door or door from the house to the garage or garage to outside, if any, the Purchaser hereby agrees to accept such change(s) without any abatement of the Purchase Price or claim for compensation whatsoever. The Vendor shall further have the right to substitute other material for that provided for in the Plans, in the sole discretion of the Vendor, for any cause which it may deem reasonable without notice thereof to the Purchaser, provided that such material is, in the sole judgment of the Vendor, of substantially equal or better quality than the material in the Plans and the Purchaser shall accept same without any abatement of the Purchase Price or claim for compensation whatsoever. The provisions of this Section may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or the Purchaser's successors in title or assigns against the Vendor.
2. The Purchaser acknowledges and agrees that in the event the Dwelling being purchased herein is a semi-detached or townhouse unit, the subject lot/block of which the Real Property forms a part will not necessarily be divided equally but may instead be divided in unequal proportions. The Purchaser agrees to accept any such unequal division of the lot/block.

PURCHASER'S SELECTIONS

3.
 - (a) Within seven (7) days of notification by the Vendor to the Purchaser, the Purchaser shall complete the Vendor's colour and material selection form for those items of construction and finishing for which the Purchaser is entitled to make selection pursuant to this Agreement, and in the event such items become unavailable, the Purchaser agrees to re-attend within seven (7) days of notification to make alternate selections from the Vendor's samples. If the Purchaser fails to attend and make selections as aforesaid, the Vendor may make the selections on the Purchaser's behalf and the Purchaser agrees to accept the Vendor's selections. The Purchaser shall have no selection whatsoever insofar as exterior colours, designs and materials are concerned.
 - (b) No changes can be permitted in colours or materials so selected by the Purchaser without the prior written consent of the Vendor (which consent may be unreasonably or arbitrarily withheld). In the event any of the foregoing items in which the Purchaser has a choice, have already been installed or completed, then the Purchaser shall be deemed to have accepted them. Notwithstanding anything herein contained to the contrary, in no event shall the Purchaser's failure to make such choices within seven (7) days upon request to do so by the Vendor, and the possible consequent inability of the Vendor to substantially complete the Dwelling by the Closing Date entitle the Purchaser to an extension of the Closing Date.
 - (c) The Purchaser specifically acknowledges that in the manufacture and/or production of items, variances may occur from the Vendor's samples and also such items shown as samples may not be subsequently available. The Purchaser hereby agrees to accept any such resulting variations whether as to supplier, brand name, colour and/or otherwise without any abatement of the Purchase Price.
4. The Purchaser acknowledges that the Purchaser has purchased the Dwelling on the basis of the Plans and not from a model. The Purchaser acknowledges that the model home(s), if any, are for display purposes only, and that some or all of the features contained therein may not be included in the Dwelling unless the same is specifically provided for in a Schedule forming part of this Agreement. Any item identified as optional or an upgrade in the sales or marketing material(s) is not included in the Dwelling but may be purchased at additional cost under a separate Schedule to this Agreement or by separate agreement. The Purchaser's attention is drawn to Schedule "B" which forms part of this Agreement and which sets out therein the items which will be included in

the Dwelling as standard features. The Purchaser hereby acknowledges that the Dwelling will only include those standard features and, accordingly, if the Purchaser requires any clarification or explanation as to items, features or finishes as referred to in Schedule "B" or anywhere else in this Agreement or with respect to any matters whatsoever which the Purchaser has discussed with the Vendor's sales representative(s) such clarifications or explanations must be made in writing and included in this Agreement, failing which the Purchaser shall be estopped from making a claim for any such clarifications, explanations, items, features, finishes or representations, other than as set out in writing in this Agreement. The Purchaser hereby acknowledges that there are no representations, warranties, guarantees, collateral agreements or conditions whatsoever affecting this Agreement, the Dwelling or the Real Property or supported hereby other than as is expressed in writing in this Agreement.

SUBSTANTIAL COMPLETION OF THE DWELLING/OCCUPANCY

5. In the event that the Dwelling is substantially completed and ready for occupancy by the Closing Date the sale shall be completed on such date without any holdback whatsoever of any part of the Purchase Price and the Vendor shall complete any outstanding items of construction required by this Agreement within a reasonable time thereafter and during normal business hours, having regard to weather conditions and the availability of labour and materials. If there is a detached garage as part of the Real Property substantial completion of the Dwelling shall not include completion of the said garage and the Purchaser shall complete the within transaction notwithstanding the construction of the garage is not completed or even started. For the purpose of this Agreement, the Dwelling shall be deemed to be substantially complete when the interior work has been substantially finished to permit occupancy, notwithstanding that there remains grading or landscaping or other outside work to be completed. The Vendor shall provide evidence that occupancy is permitted in accordance with and only to the extent required by the Tarion Addendum.
6. Provided that in the event the Vendor is unable to deliver to the Purchaser on or before the Closing Date a conveyance of the Real Property free and clear of encumbrances, save and except as provided for in this Agreement, for any reason whatsoever then the Vendor may, at its option, require the Purchaser to take possession of the Real Property pursuant to the terms of the Vendor's standard escrow closing agreement which the Purchaser shall execute and deliver to the Vendor or its solicitors upon request of the Vendor or its solicitors and an undertaking by the Vendor to deliver a conveyance in accordance with the provisions of this Agreement within such period of time as the Vendor may require. From and after the date of such possession the Purchaser shall be responsible for the realty taxes, water, hydro, gas and other public and/or private utilities with respect to the Real Property and shall pay to the Vendor interest on the unpaid balance of the Purchase Price at the rate of interest that the Bank of Canada has most recently reported as the chartered bank administered interest rate for a conventional one year mortgage as of the first of the month in which the Purchaser assumes occupancy under the Vendor's standard escrow closing agreement or is required to do so under this Agreement until such time as the Vendor delivers a conveyance of the title to the Real Property to the Purchaser. The parties further agree that upon the Vendor delivering to the Purchaser a conveyance in accordance with the terms of this Agreement, any further adjustments that may be required shall be made at the time of the delivery of the conveyance.

TARION WARRANTY CORPORATION

7. (a) The Vendor covenants that on completion of this transaction a warranty certificate for the Dwelling will be requested from Tarion Warranty Corporation ("**Tarion**"). Such warranty shall contain the only warranties covering the Dwelling. The Purchaser acknowledges and agrees that any warranties of workmanship or materials, in respect of any aspect of the construction of the Dwelling, whether implied by this Agreement or at law or in equity or by any statute or otherwise, shall be limited to only those warranties deemed to be given by the Vendor under the *Ontario New Homes Warranties Plan Act*, as may be amended (the "**ONHWPA**") and shall extend only for the time period and in respect of those items as stated in the ONHWPA, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement, or condition in any way affecting this Agreement, the Dwelling and/or the Real Property other than as expressed herein
- (b) The Purchaser or the Purchaser's designate as hereinafter provided agrees to meet the Vendor's representative at the date and time designated by the Vendor, prior to the Closing Date, to conduct a pre-delivery inspection of the Dwelling (the "**PDI**") and to list all items remaining incomplete at the time of such inspection together with all mutually agreed deficiencies with respect to the Dwelling on the Tarion Certificate of Completion and Possession (the "**CCP**") and the PDI form, in the forms prescribed from time to time by, and required to be completed pursuant to the provisions of the ONHWPA. The said CCP and PDI forms shall be executed by both the Purchaser or the Purchaser's designate and the Vendor's representative at the PDI and shall constitute the Vendor's only undertaking with respect to incomplete or deficient work and the Purchaser shall not require any further undertaking of the Vendor to complete any outstanding items. In the event that the Vendor performs any additional work to the Dwelling in its discretion, the Vendor shall not be deemed to have waived the provision of this paragraph or otherwise enlarged its obligations hereunder.
- (c) The Purchaser acknowledges that the Homeowner Information Package as defined in Tarion Bulletin 42 (the "**HIP**") is available from Tarion and that the Vendor further agrees to provide the HIP to the Purchaser or the Purchaser's designate, at or before the PDI. The Purchaser, or the Purchaser's designate agrees to execute and provide to the Vendor the Confirmation of Receipt of the HIP forthwith upon receipt of the HIP.
- (d) The Purchaser shall be entitled to send a designate to conduct the PDI in the Purchaser's place or attend with their designate, provided the Purchaser first provides to the Vendor a written authority appointing such designate for PDI prior to the PDI. If the Purchaser appoints a designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the force and effect as if executed by the Purchaser directly.

- (e) In the event the Purchaser and/or the Purchaser's designate fails to attend the PDI or fails to execute the CCP and PDI forms at the conclusion of the PDI, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement and/or at law. Alternatively, the Vendor may, at its option complete the within transaction but not provide the keys to the Dwelling to the Purchaser until the CCP and PDI forms have been executed by the Purchaser and/or its designate or complete the within transaction and complete the CCP and PDI forms on behalf of the Purchaser and/or the Purchaser's designate and the Purchaser hereby irrevocably appoints the Vendor the Purchaser's attorney and/or agent and/or designate to complete the CCP and PDI forms on the Purchaser's behalf and the Purchaser shall be bound as if the Purchaser or the Purchaser's designate had executed the CCP and PDI forms.
- (f) In the event the Purchaser and/or the Purchaser's designate fails to execute the Confirmation of Receipt of the HIP forthwith upon receipt thereof, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement and/or at law.
- (g) The Purchaser further agrees with the Vendor that the Vendor and/or its representatives shall have the right to enter the Dwelling and the Real Property after completion of the purchase in order to complete any of the items listed on the CCP and PDI forms, provided that if the Purchaser fails or refuses to permit the Vendor and/or its representatives such entry, the Vendor's obligations hereunder shall terminate and be at an end. Any such entry shall be deemed not to be a trespass.
- (h) The Purchaser acknowledges that the area of the Dwelling, as may be represented or referred to by the Vendor or any sales representative, or which appears in any sales or marketing material(s) is approximate only, and is measured in accordance with Builder Bulletin No. 22 published by Tarion. Actual useable floor space may (therefore) vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable living area within the confines of the Dwelling may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Dwelling purchased hereunder are approximate only, and that there shall be no adjustment of the Purchase Price or claim for compensation whatsoever, whether based upon the ultimate square footage of the Dwelling, or the actual or useable living space within the confines of the Dwelling or otherwise.
8. The Purchaser covenants and agrees that the Purchaser will exhaust all the remedies available to the Purchaser with Tarion with respect to any claim relating to defects in workmanship or materials or with respect to any other claim arising under the ONHWPA or in respect of the Tarion Addendum, prior to pursuing any other means of redress with regard to such claims. In the event the Purchaser does not comply with the provisions of this Section, or takes any unwarranted or unreasonable actions with respect to such claims, the Purchaser shall be held liable for any damages sustained by the Vendor as a result thereof.

TITLE AND CONVEYANCING MATTERS

9. The Purchaser agrees to accept title to the Real Property subject to the following items and the Purchaser covenants and agrees to adhere to the terms and conditions as set out therein. The Purchaser agrees to satisfy himself as to compliance with any of the following items and the Vendor shall not be obligated on the Closing Date or thereafter to obtain any compliance, releases or discharges with respect to any of the following items:
- (a) any subdivision agreement, site plan agreement, development agreement, financial agreement or other agreement entered into with any municipal authority or other governmental authority or with any public or private utility commission or railway company, including any restrictions, covenants, obligations or liabilities contained therein (collectively the "**Subdivision Agreements**");
- (b) any building or other restrictions and covenants that may be registered against the title of the Real Property and the Purchaser agrees, if required by the Vendor, to sign the transfer/deed of land containing such restrictions and covenants and to extract the same from any subsequent purchasers;
- (c) a right in the nature of an easement or license for the Vendor and/or the subdivider and/or the developer and their respective successors and assigns and their servants and agents to enter upon the Real Property (without such act being a trespass) at any time prior to the complete acceptance of the subdivision or development of which the Real Property forms a part (the "**Subdivision**" or the "**Development**") by the Municipality or thereafter for completion or correction of grading and surface drainage and in order to permit the Vendor and/or the subdivider and/or the developer to carry out the obligations, if any, under the Subdivision Agreements or as imposed by any governmental authority or bonding company to effect any corrective measures with respect to the Subdivision Agreements applicable to the Real Property and the transfer/deed of land may contain a clause to this effect;
- (d) such easements or rights-of-way, licenses or leases, permanent or temporary, as exist or may subsequently be granted in favour of the Municipality, any railway company, any applicable regional municipality, the subdivider, the developer or any public or private utility, including, but not limited to, any telephone supplier, any hydro supplier and any gas supplier for hydro, fuel, telephone, television, cable, sewers, water, municipal or other services or utilities; and, further, the Purchaser covenants and agrees to assume, accept and permit any such easements, rights-of-way, licenses or leases and if such easements, rights-of-way, licenses or leases have not been determined when the Purchaser receives the Purchaser's conveyance, such conveyance may contain a covenant by the Purchaser for himself, and the Purchaser's heirs, executors, administrators, successors and assigns, to grant any additional easements, rights-of-way, licenses or leases as may be required by the Vendor, subdivider or developer, any municipal or other governmental authority or utility or railway company and the Purchaser further covenants and agrees to execute all documents without charge which may be required to convey or confirm any such

- easement, right-of-way, license or lease and shall exact a similar covenant in any agreement entered into between the Purchaser and any subsequent purchaser from the Purchaser;
- (e) such easements as may be required by adjoining owners for maintenance or encroachment purposes and the encroachments permitted thereby;
 - (f) as herein expressly provided; and
 - (g) any minor breaches of any of the foregoing that have been remedied or are in the process of being remedied.
10. Provided that the title to the Real Property shall on the Closing Date be good and free from all encumbrances, except as provided for in this Agreement. The title is to be examined by the Purchaser at the Purchaser's own expense and he is not to call for the production of any deeds or abstracts of title, surveys, proof of evidence of title or to have furnished any copies thereof, other than those in the Vendor's possession or as provided for in this Agreement. The Purchaser is to be allowed until thirty (30) days prior to the Closing Date to examine the title at the Purchaser's own expense and if within that time he shall furnish the Vendor in writing with any valid objections to the title 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, be null and void and the monies paid to the Vendor to that date on account of the Deposit shall be returned as provided for herein and the Vendor shall not be liable for any damages or costs whatsoever, including, without limiting the generality of the foregoing, loss of bargain, relocation costs, loss of income, professional fees and disbursements and any amount paid to third parties on account of decoration, construction or fixturing costs. Save as to any valid objections so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property.
11. The Purchaser acknowledges that the Real Property is or will be encumbered by mortgages and/or encumbrances which the Purchaser is not to assume and that the Vendor will not be obligated to obtain and register a discharge of such mortgages and/or encumbrances insofar as they affect the Real Property until a reasonable time after the Closing (as defined in the Tarion Addendum) and the Purchaser shall accept the undertaking of the Vendor's solicitors to obtain and register as soon as reasonably possible after Closing a discharge of such mortgages and/or encumbrances except as provided for herein and further agrees not to refuse to complete this transaction on the grounds that such mortgages and/or encumbrances have not been discharged.
12. The transfer/deed of land shall be prepared at the Vendor's expense and may contain any or all of the provisions set forth in this Agreement and shall be executed by the Purchaser, if required by the Vendor, and the Purchaser shall execute and deliver on the Closing Date a covenant, undertaking or agreement incorporating all or any of the terms contained herein or as may be required by the Vendor. The Purchaser undertakes and agrees to register the transfer/ deed of land at the Purchaser's own expense at the time of Closing. Each party is to pay the cost of registration and taxes on its own documents. The Purchaser shall deliver to the Vendor, on or before Closing, as required by the Vendor the Acknowledgement in the form attached to this Agreement, if any, duly completed and executed. The Purchaser agrees to advise the Vendor or its solicitors within thirty (30) days prior to the Closing Date of the manner in which title is to be taken by the Purchaser, failing which title to the Real Property shall be engrossed in the name of the Purchaser as noted on this Agreement and the Purchaser shall be estopped from requiring any further changes to the manner in which the transfer/deed of land is engrossed.
13. The Purchaser hereby acknowledges the full priority of any mortgage or construction financing arranged by the Vendor and/or secured by the Real Property over the Purchaser's interest as Purchaser for the full amount of the said mortgage or construction financing, notwithstanding any law or statute to the contrary and agrees to execute all acknowledgements or postponements required to give full effect thereto.
14. In the event, that the Municipality does at some point in time provide a release of any of the Subdivision Agreements the Vendor may either provide such release to the Purchaser for registration of such release by the Purchaser at the Purchaser's expense or register the release, if any, in which event the Purchaser shall pay the Vendor the cost of registration of such release forthwith upon request although the Vendor may, at its option, add such cost to the statement of adjustments as a credit to the Vendor. The foregoing provision does not in any way whatsoever require the Vendor to request any such release or impose an obligation on the Vendor to take any steps to obtain any such release.
15. The Purchaser acknowledges that the transfer/deed of land to the Real Property to be given on the Closing Date may emanate from the registered owner of the Real Property and not from the Vendor herein, and the Purchaser agrees to accept same and to accept such owner's title covenants in lieu of the Vendor's, in the event the Vendor is not the registered owner of the Real Property on Closing.

PLANNING ACT

16. This Agreement shall be conditional upon compliance with the subdivision control provision of the *Planning Act of Ontario*, as may be amended, which compliance shall be obtained by the Vendor, at its sole expense, on or before Closing.

INSURANCE

17. The Purchaser shall place the Purchaser's own insurance on the Real Property for Closing.

ADJUSTMENTS

18. On the Closing Date, the Purchaser shall pay to the Vendor, as an adjustment on the statement of adjustments, in addition to any other monies required to be paid as set out in this Agreement, the following:
- (a) an amount equal to the Tarion enrolment fee paid by the Vendor for the Real Property, as well as the regulatory oversight fee collected by the Home Construction Regulatory Authority (the "HCRA"), and such other fees collected by the Tarion and/or the HCRA in respect of the Real Property (together with any provincial or federal taxes exigible with respect thereto),

- (b) if there are chattels involved in this transaction, the allocation of the value of such chattels shall be estimated where necessary by the Vendor and retail sales tax thereon may, at the option of the Vendor, be collected by the Vendor and remitted to the applicable taxing authority. Alternatively, the Purchaser shall pay the retail sales tax paid or to be paid by the Vendor on account of chattels set out in Schedule "B" attached hereto or that are an extra or upgrade;
- (c) any amounts which remain unpaid and owing to the Vendor on account of upgrades and/or extras and/or changes ordered by the Purchaser;
- (d) the Vendor's proportionate amount of the realty taxes (including local improvement charges) which shall be apportioned and allowed to Closing. 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 sum has been paid by the Vendor, notwithstanding that same may not have been levied or paid by the Date of Closing, subject, however, to readjustment when the actual amount of such taxes are ascertained;
- (e) the costs of any utility check meter, water meter, hydro meter or gas meter installed in or about the Dwelling, the installation of any such meters, the connection charges for any such meters and/or sewers and the installation and energization charges, as the case may be, of hydro, water and gas services provided to the Dwelling and a fifteen percent (15%) administration charge thereon. A certificate of the Vendor or statutory declaration of an officer of the Vendor specifying the said costs shall be final and binding on the Purchaser;
- (f) all amounts chargeable and billable to the Purchaser for water, hydro, gas, cable T.V. and any other services arising as a result of the Purchaser's failure to make the Purchaser's own contractual arrangements with the relevant public or private utility authorities and suppliers on the Closing Date and for which the Vendor is subsequently charged, it being the express intent of the parties that it shall be the sole responsibility of the Purchaser to notify all relevant utility authorities and make the necessary contractual arrangements to ensure service to the Dwelling;
- (g) the amount of \$1,500.00 as security for any damages to or unauthorized changes that the Purchaser may make to the grading of the Real Property and/or the driveway and/or any amounts the Purchaser may owe to the Vendor and/or for any breach of any of the Purchaser's obligations pursuant to this Agreement and any damages, costs and expenses the Vendor may incur as a result thereof. Such security shall be repaid to the Purchaser upon written request from the Purchaser to the Vendor within one year after assumption of the subdivision of which the Real Property forms a part by the Municipality provided the Purchaser still owns the Real Property and occupies same as the Purchaser's principal residence less any amounts the Vendor may have to pay to correct or remedy any damages and changes and/or to pay itself any amounts owing to the Vendor and/or to cover any damages, costs and expenses incurred by the Vendor as a result of anything set out above;
- (h) the cost of installation of the driveway for the Real Property which driveway will be installed by the Vendor to municipal specifications;
- (i) the charges imposed upon the Vendor or its solicitors by the Law Society of Upper Canada upon registration of a transfer/deed of land or charge/mortgage of land or any other instrument;
- (j) any costs incurred by the Vendor for the internet delivery of documentation to the Purchaser's solicitor;
- (k) in the event the Municipality and/or any other governmental or regulatory authority, board or entity requires the installation and/or erection of a privacy fence, lot line fence, chain link fence, retaining wall(s) and/or any other item of a similar nature relating to the Real Property the cost thereof, such cost to be determined by the Vendor;
- (l) any tax, whether categorized as multi-stage sales tax, a business transfer tax, a modified retail sales tax, a value-added tax, or any other type of tax whatsoever that may be levied or charged in the future by any governmental authorities, including, but without limiting the generality of the foregoing the municipal, federal, or provincial governments or any of their agencies, on or with respect to any sale, transfer, lease or disposition of property or any provision of goods or services made in the course of a taxable activity and the Purchaser shall be solely responsible for paying and/or reimbursing the Vendor for such tax, whether or not the legislation imposing such tax places the primary responsibility for payment thereof onto the Vendor, and the Vendor shall be allowed to charge the Purchaser as an adjustment on the Closing Date with the estimated amount of any such tax, notwithstanding that such tax may not have been formally or finally levied and payable with such tax adjustment being subject to readjustment, if necessary, when the actual final assessment or levy is available or determinable;
- (m) in the event that there is any implementation of any levies, capital charges, imposts, education charges or other charges of any nature or kind whatsoever (collectively the "Levies") or any increase in the cost of any Levies made or imposed by the Municipality or regional municipality or any other governmental and/or competent authority in connection with the Real Property between the date upon which this Agreement was executed and the date upon which a building permit for the erection of the Dwelling was issued the Purchaser shall be solely responsible for paying and/or reimbursing the Vendor for such increase or cost which amount shall be determined by the Vendor and which determination shall be conclusive between the parties hereto;
- (n) the cost of any boulevard tree planting, which cost is to be absolutely determined by certificate of the Vendor or statutory declaration of an officer of the Vendor or

- estimated by the Vendor. The Purchaser acknowledges that there may not be a tree planted in front of the Real Property;
- (o) the cost of any obligation undertaken by the Vendor to the subdivider or the developer to contribute to community landscaping, which cost is to be absolutely determined by a certificate of the Vendor or statutory declaration of an officer of the Vendor or estimated by the Vendor and to be readjusted when known;
 - (p) the cost for the survey of the Real Property if same is provided to the Purchaser;
 - (q) the cost of any garbage and/or recycling bins for the Real Property; and
 - (r) any adjustment agreed to in writing subsequent to the execution of the Agreement.
19. If any of the adjustments to be made on the Closing Date cannot be accurately determined at the time of Closing, then the Vendor may estimate the adjustment to be made and the Closing shall take place in accordance with this estimate. There shall be a later and final adjustment when all the items to be adjusted can be accurately determined.
20. The Purchaser acknowledges and agrees that the hot water heater/tank is not included in the Purchase Price and is to be non-owned and that it shall remain chattel property and shall not be or become a fixture and/or part of the Dwelling. The Purchaser may be informed of the terms and conditions governing the rental of the hot water heater/tank prior to Closing, and agrees, if required, to execute on, before or after Closing as the Vendor determines a rental document or other contract as required by any relevant municipal authority or public or private utility or third party company with respect to the said hot water heater/tank, failing which, at the Vendor's sole option, the Vendor shall be entitled to execute the hot water heater's/tank's supplier's standard rental document or other contract on behalf of the Purchaser as the Purchaser's attorney or agent.
21. In the event any cheque given by the Purchaser is returned after being presented for payment to the financial institution on which it is drawn, by reason of there not being sufficient funds in the account on which said cheque is drawn (an "NSF Cheque"), the Purchaser shall pay the Vendor for each such NSF Cheque the sum of \$500.00 plus HST as liquidated damages and not as a penalty which payment shall, at the Vendor's option, be made as an adjustment on the Closing Date in favour of the Vendor or be delivered to the Vendor together with the replacement cheque. In addition, if the Vendor accepts a replacement cheque from the Purchaser such replacement cheque shall be a certified cheque. If the Purchaser provides a second NSF cheque, the Vendor shall have the right, at its sole option, to deem the Purchaser in default under the terms of their Agreement and to exercise any of its rights and remedies.

GOODS AND SERVICES TAX and HARMONIZED SALES TAX

22. (a) It is acknowledged and agreed by the parties hereto that the Purchase Price already includes a component equivalent to both the federal portion and, if applicable, the provincial portion of the harmonized goods and services tax or single sales tax exigible with respect to this purchase and sale transaction less the Rebate as defined below (hereinbefore and hereinafter referred to as the "**HST**"), and that the Vendor shall remit the HST to Canada Revenue Agency ("**CRA**") on behalf of the Purchaser forthwith following the completion of this transaction. The Purchaser hereby warrants and represents to the Vendor that with respect to this transaction, the Purchaser qualifies for the new housing rebate applicable pursuant to Section 254 of the *Excise Tax Act* (Canada), as may be amended, and the new housing rebate announced by the Ontario Ministry of Revenue (collectively, the "**Rebate**"), in its Information Notice dated June 2009 – No. 2 (the "**Ontario Circular**") and further warrants and represents that the Purchaser is a natural person who is acquiring the Real Property with the intention of being the sole beneficial owner thereof on the Closing Date (and not as the agent or trustee for or on behalf of any other party or parties), and covenants that upon the Closing Date, the Purchaser or one or more of the Purchaser's relations (as such term is defined in the *Excise Tax Act*) shall personally occupy the Dwelling as the Purchaser's primary place of residence, for such period of time as shall be required by the *Excise Tax Act*, and any other applicable legislation, in order to entitle the Purchaser to the Rebate (and the ultimate assignment thereof to and in favour of the Vendor) in respect of the Purchaser's acquisition of the Real Property. The Purchaser further warrants and represents that the Purchaser has not claimed (and hereby covenants that the Purchaser shall not hereafter claim), for the Purchaser's own account, any part of the Rebate or the RST transitional housing rebate referred to in the Ontario Circular (the "**Transitional Rebate**") in connection with the Purchaser's acquisition of the Real Property, save as otherwise hereinafter expressly provided or contemplated. The Purchaser hereby irrevocably assigns to the Vendor all of the Purchaser's rights, interests and entitlements to the Rebate and the Transitional Rebate (and concomitantly releases all of the Purchaser's claims or interests in and to the Rebate and the Transitional Rebate, to and in favour of the Vendor), and hereby irrevocably authorizes and directs CRA to pay or credit the Rebate and the Transitional Rebate directly to the Vendor. In addition, the Purchaser shall execute and deliver to the Vendor, forthwith upon the Vendor's or Vendor's solicitors request for same (and in any event on or before the Closing Date), all requisite documents and assurances that the Vendor or the Vendor's solicitor may reasonably require in order to confirm the Purchaser's entitlement to the Rebate and/or to enable the Vendor to obtain the benefit of the Rebate and the Transitional Rebate (by way of assignment or otherwise), including without limitation, the New Housing Application for Rebate of Goods and Services Tax Form as prescribed from time to time (the "**Rebate Forms**"). The Purchaser covenants and agrees to indemnify and save the Vendor harmless from and against any loss, cost, damage and/or liability (including an amount equivalent to the Rebate and the Transitional Rebate, plus penalties and interest thereon) which the Vendor may suffer, incur or be charged with, as a result of the Purchaser's failure to qualify for the Rebate, or as a result of the Purchaser having qualified initially but being subsequently disentitled to the Rebate, or as a result of the inability to assign the benefit of the Rebate or the Transitional Rebate to the Vendor (or the ineffectiveness of the documents purporting to assign the benefit of the Rebate or the Transitional Rebate to the Vendor). As security for the payment of such amount, the Purchaser does hereby charge and pledge the Purchaser's interest in the Real Property with the intention of creating a lien or charge against same. It is further understood and agreed by the parties hereto that:

- (i) if the Purchaser does not qualify for the Rebate, or fails to deliver to the Vendor or the Vendor's solicitors forthwith upon the Vendor's or the Vendor's solicitors request for same (and in any event on or before the Closing Date) the Rebate Forms duly executed by the Purchaser, together with all other requisite documents and assurances that the Vendor or the Vendor's solicitors may reasonably require from the Purchaser or the Purchaser's solicitor in order to

confirm the Purchaser's eligibility for the Rebate and/or to ensure that the Vendor ultimately acquires (or is otherwise assigned) the benefit of the Rebate and the Transitional Rebate; or

- (ii) if the Vendor believes, for whatever reason, that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, and the Vendor's belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before the Closing Date;

then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obliged to pay to the Vendor (or to whomsoever the Vendor may in writing direct), by certified cheque delivered on the Closing Date, an amount equivalent to the Rebate and/or the Transitional Rebate, in addition to the Purchase Price and in those circumstances where the Purchaser maintains that the Purchaser 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 pursue the procurement of the Rebate directly from CRA. It is further understood and agreed that in the event that the Purchaser intends to rent out the Dwelling after the Closing Date, the Purchaser shall not be entitled to the Rebate, but may nevertheless be entitled to pursue, on the Purchaser's own after the Closing Date, the federal and provincial new rental housing rebates directly with CRA, pursuant to Section 256.2 of the *Excise Tax Act*, as may be amended, and other applicable legislation to be enacted relating to the provincial new rental housing rebate.

- (b) Notwithstanding any other provision herein contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST eligible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or any extras or upgrades or changes purchased, ordered or chosen by the Purchaser from the Vendor which are not specifically set forth in this Agreement, and the Purchaser covenants and agrees to pay such HST to the Vendor in accordance with the *Excise Tax Act*. 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 the Closing Date the amount of (as determined by the Vendor in its sole and absolute discretion) the Reduction."

EXTRAS/UPGRADES

23. The Purchaser covenants and agrees that the Purchaser shall pay to the Vendor in advance for all extras, upgrades or changes ordered by the Purchaser at the time such order is made and the Purchaser further acknowledges and agrees that such payment is non-refundable in the event that this transaction is not completed as a result of the Purchaser's default under any of the terms of this Agreement. Notwithstanding anything herein contained to the contrary, the Purchaser acknowledges and agrees that if, upon Closing, any of the extras, upgrades or changes ordered by the Purchaser remain incomplete in whole or in part or if the Vendor shall, in its sole discretion, determine that it will not provide extras, upgrades or changes or cannot complete the extras, upgrades or changes, then there shall be refunded to the Purchaser upon the Closing Date that portion of the amount paid by the Purchaser in connection with such extras, upgrades or changes allocated to those extras, upgrades or changes which remain incomplete in whole or in part as aforesaid, as determined by the Vendor. In the event such extras, upgrades or changes were included at no charge whether or not included as part of this Agreement then the Vendor's cost of completing such incomplete items will be refunded. The Purchaser further acknowledges and agrees that the amount so paid to the Purchaser (or for which, in the alternative, the Purchaser receives credit in the statement of adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be deemed to have been released from any and all obligations, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes.

NOTICE AND WARNING CLAUSES

24. The Purchaser hereby confirms that the Purchaser has been advised of the matters set out in the Schedule attached to this Agreement titled "Warning Clauses and Notice Provisions". The Purchaser acknowledges that the Subdivision Agreements and any subsequent agreements to be entered into or registered between the Vendor and the Municipality or any other applicable party may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the Real Property, environmental issues, noise levels from adjacent roadways or otherwise, maintenance of municipal fencing, school transportation and related educational issues, and the status of services and works in the Subdivision. The Purchaser acknowledges and agrees that as a result of the plan of subdivision not yet being registered, if that is the case, the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. After all required notices and warnings are available, a copy thereof shall be sent to the Purchaser as a notice in the manner set out in this Agreement and such transmittal shall constitute acknowledgment of receipt of a copy thereof and the Purchaser irrevocably designates the Vendor as its attorney and/or agent to execute and deliver on the Purchaser's behalf to the Municipality or any other applicable party any required acknowledgments with respect thereto. On or before Closing, the Purchaser shall, if required by the Vendor, forthwith execute upon request from the Vendor or its solicitors an acknowledgment or amendment to this Agreement containing the required notices and warning clauses, failing which the Purchaser shall be in default under this Agreement.

INSURANCE/RISK

Erin Glen

Vendor: _____

Purchasers: _____

25. All buildings and equipment comprising the Dwelling and the Real Property shall be and remain at the risk of the Vendor until Closing and pending completion of the sale, the Vendor will hold all insurance policies and the proceeds thereof for the Vendor's benefit alone. In the event of damage to the Dwelling, the Vendor may either in its sole discretion (a) repair the damage, finish the Dwelling and complete the sale and, if necessary, delay the Closing Date in the manner permitted in paragraph 7 of the Tarion Addendum; or (b) terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor payable under law if the damage to the Dwelling has frustrated this Agreement at law.

PURCHASER COVENANTS AND AGREEMENTS

26. Notwithstanding the closing of this transaction, the Purchaser hereby authorizes and shall not obstruct or interfere in any way with the Vendor, the subdivider or the developer, the Municipality, the regional municipality, the public and/or private utilities, the telephone and/or cable company or persons authorized by any of them, free access to the Real Property and the Dwelling at all reasonable hours in order to make inspections and to do such work or repairs, including, but not restricted to, correction of sodding and/or grading, installation of catch basins, installation, repair, construction or reconstruction and/or maintenance of any of the municipal services, public and/or private utilities and other services, including sewers and water mains; and for any of the purposes aforesaid or related thereto, such entry on the Real Property and Dwelling by any such persons shall not be deemed to be committing trespass and the Purchaser does hereby give leave and licence to any of such persons for the purposes aforesaid and free access for any such persons shall continue for such period of time as may be set out in the Subdivision Agreements or any other agreements affecting the Real Property or as may be required by the Vendor, the subdivider or the developer and/or any municipal or governmental authority, regulatory body or public or private utility. The Purchaser further covenants to comply with and not to breach any of the Subdivision Agreements or any other such agreements.
27. The Purchaser undertakes and covenants that the Purchaser will not, at any time either before or after the Closing Date, without the prior written authority of the Vendor and the subdivider or the developer (which may be unreasonably or arbitrarily withheld) interfere with or alter the drainage ditch, obstruct the natural flow of water or obstruct the drainage as designed and engineered by the subdivider or the developer, erect fences, porches, patios, planting, paving, swimming pool, clothes lines or obstructions of any kind, remove top soil or subsoil, cut down living trees or do anything which may change or alter the grading or obstruct the drainage of the Real Property or surrounding lots or lands in any way and if he does, the Vendor or its servants, successors, agents and assigns may enter thereon and correct such grading or remove or relocate such obstructions at the Purchaser's expense and be paid, forthwith upon demand, the cost thereof. The Purchaser shall adhere to the overall drainage patterns of the Subdivision, including such easements as may exist or may be required for the purpose of water drainage upon the Real Property to and from adjoining lands, and the Purchaser agrees to grant such easements as may be required from time to time by the Vendor or subdivider or developer for drainage. The foregoing covenant may, at the option of the Vendor, be included in any transfer of title to the Purchaser and shall run with the land. The Purchaser agrees that the Purchaser shall be solely responsible for watering and general maintenance of sod from the Closing Date or from the date that sod is laid, whichever shall be later, and the Vendor shall have no obligation in that regard whatsoever. If the Vendor is required by the subdivider, developer or any governmental authority to replace any laid sod as a result of the Purchaser's default under this Section, the Purchaser shall promptly pay the Vendor for same and the Vendor shall not be obliged to do so until payment has been made therefore in full to the Vendor by the Purchaser.
28. The Vendor hereby notifies the Purchaser and the Purchaser acknowledges that the subdivider or the developer has agreed to provide and pay for paved roads, sidewalks, curbs, street lighting, sanitary and storm sewers, street signs and other services as required by the Subdivision Agreements and that such is the responsibility of the subdivider or the developer and not the Vendor. In the event that title to the Real Property is transferred directly from the subdivider or the developer or another party (the "**Party**") rather than the Vendor the Purchaser covenants and agrees to execute and deliver on the Closing Date an acknowledgement and release in a form satisfactory to the Vendor and/or subdivider and/or developer and/or the Party releasing the subdivider or the developer or the Party, as the case may be, from any and all matters in respect of the within transaction and acknowledging that the subdivider or the developer or the Party, as the case may be, has no liability, obligation or responsibility to the Purchaser.
29. The Purchaser agrees that until all lots or blocks in the Subdivision are sold, the Vendor shall have the exclusive right to maintain model homes, signs, sales staff and marketing material(s) in the Subdivision and to show prospective purchasers through the Subdivision and through any unsold homes and the Purchaser agrees not to display any sign on the Real Property offering the Real Property for sale or rent. In the event that the Purchaser displays any such sign on the Real Property, the Vendor shall have the absolute right to enter on the Real Property and remove such sign without such act being a trespass.
30. The Purchaser agrees that in the event that there is any water leakage into the basement or any other damage of any kind or nature whatsoever which the Vendor shall be required at law or by Tarion to repair, the Vendor shall not be liable for any consequential damage caused by the water or otherwise nor for any damage to any improvements, fixtures, furnishings or personal property of the Purchaser, but shall be responsible only for the repair of such damage or leakage in accordance with the terms hereof. Further, the Purchaser waives the Purchaser's right to any claim against the Vendor for damage to the Dwelling due to shrinkage, warpage, twisting or settlement or any secondary or consequential damage resulting therefrom. Further, the Vendor shall not be liable for any secondary or consequential damages whatsoever which may result from any defect in materials, design or workmanship related to the Dwelling. The Purchaser further acknowledges that the Vendor is not responsible for the repair of any exterior work resulting from settlement, including driveways, walkways, patio stones or sodded areas or for any damage to interior household improvements or decor caused by material shrinkage, twisting or warpage. The Purchaser agrees that this Section may be pleaded by the Vendor in estoppel of any claims by the Purchaser pursuant to this Section.
31. The Purchaser agrees that prior to the Closing Date he will not in any circumstances enter onto the Real Property without the express written authority of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and the Vendor shall be entitled to exercise any rights that it may have pursuant to this Agreement or at law as a result of same. In addition, the Purchaser agrees that the Purchaser will not in any circumstances, either personally or by the

Purchaser's agent, servant or authorized representative, perform or have performed any work of any nature or kind whatsoever on the Dwelling or the Real Property prior to the conveyance of the Real Property to the Purchaser and in the event of a breach of this covenant, the Vendor shall be entitled, at its sole option, to deem such breach as an event of default by the Purchaser under this Agreement or to take whatever steps are necessary to remove, correct or remedy any such work, and in such event, at the Vendor's sole option, the costs and expenses thereof plus a fifteen percent (15%) administration fee shall be paid to the Vendor by the Purchaser forthwith upon demand by the Vendor or added to the Purchase Price as an adjustment on the Closing Date. In the event the Vendor completes the sale of the Real Property to the Purchaser all warranties related to any items and/or matters the Purchaser affected by the Purchaser's actions shall be void.

32. The Purchaser acknowledges that due to the nature and extent of construction work which will be required to be undertaken by the Vendor on the Real Property in connection with the excavation, erection, and construction of the Dwelling, one or more trees may be removed from the Real Property and others may or will suffer damage or destruction both before and after Closing, as a result of the removal, interference or the destruction of roots, contact with the trunk by equipment or machinery or otherwise. The Purchaser hereby acknowledges, covenants, and agrees that the Vendor shall not be responsible or liable in any manner, whatsoever, for any loss or destruction to trees or for any loss or destruction to the property of the Purchaser howsoever caused nor shall the Vendor be responsible or liable for the removal of any trees or parts thereof, from the Real Property, at any time, whatsoever. It is understood and agreed that the Vendor has made no representation, warranty, guarantee, collateral agreement or condition whatsoever, regarding the preservation, removal, condition or health of trees on the Real Property.
33. The Purchaser agrees that the Purchaser will not, for a period of at least two (2) years from the Closing Date, plant any trees, shrubs, vines, hedges or other landscaping on the Real Property without the express written consent of the Vendor which consent may be unreasonably or arbitrarily withheld. The Vendor shall have the right during such period to enter on the Real Property, without notice to the Purchaser, and to remove, without any liability, whatsoever, any such trees, shrubs, vines, hedges or other landscaping planted on the Real Property in contravention of this Section without such act being a trespass.

NON-REGISTRATION AND NO ASSIGNMENT AND NO OBJECTION

34. The Purchaser covenants and agrees that the Purchaser will at no time register or attempt to register this Agreement on title to the Real Property by way of caution, deposit, assignment or in any way whatsoever, and it is expressly agreed by all parties hereto that any such registration or attempt by the Purchaser or anyone acting for or through the Purchaser shall constitute an event of default under this Agreement. In the event that this Agreement, a caution, a deposit, an assignment or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, then the Purchaser hereby appoints the Vendor the Purchaser's true and lawful attorney and/or agent for the purposes of removing the instrument from title, including the giving of any discharge, lifting or release of any caution, deposit or the assignment of any rights pursuant to this Agreement. The Purchaser hereby irrevocably consents to a court order removing any such notice of this Agreement, caution, deposit or any other documents or instruments whatsoever from title to the Real Property. The Purchaser shall bear all costs incurred by the Vendor in the exercise of any of its rights pursuant to this provision. The Purchaser acknowledges that notwithstanding any rule of law to the contrary that by executing this Agreement he has not acquired any equitable or legal interest in the Dwelling or the Real Property.

35. The Purchaser covenants and agrees that the Purchaser will in no way, directly or indirectly, list for sale or lease, advertise for sale or lease, rent, convey, transfer, sell or lease, nor in any way assign the Purchaser's interest under this Agreement or the Purchaser's rights and interests hereunder or in the Real Property, nor directly or indirectly permit any third party to list or advertise the Real Property for sale or lease at any time prior to the Closing Date without the prior written consent of the Vendor which consent may be unreasonably or arbitrarily withheld. The Purchaser acknowledges and agrees that once a breach of the preceding covenant and agreement occurs such breach shall be a default hereunder and, at the Vendor's sole option, be deemed incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach the Vendor shall have the unilateral right and option of taking whatever steps are available to the Vendor in the event of the Purchaser's default. The Purchaser shall not be permitted to direct title to any third parties without the prior written consent of the Vendor which consent may be unreasonably or arbitrarily withheld.

36. The Purchaser covenants and agrees that the Purchaser shall not directly nor indirectly object to nor oppose any official plan amendment(s), rezoning application(s), severance application(s), minor variance application(s) and/or site plan application(s), nor any other applications ancillary thereto relating to the development of the Real Property, or any neighboring or adjacent lands. The Purchaser further acknowledges and agrees that this covenant may be pleaded as an estoppel or bar to any opposition or objection raised by the Purchaser thereto.

ELECTRONIC REGISTRATION AND TENDER

37. The parties waive personal tender and agree that tender in the absence of any other mutually acceptable arrangement and subject to the provisions of this Agreement shall be validly made by the Vendor upon the Purchaser by a representative of the Vendor (which shall include the Vendor's solicitor) attending or being available at the offices of the Vendor's solicitors at 3:30 p.m. on the Closing Date and remain there until 4:30 p.m. of the same date and being ready, willing and able to complete the subject transaction. In the event the Purchaser or the Purchaser's solicitor fails to appear or appears and fails to close the subject transaction such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor was ready, willing and able to complete the sale at such time. Payment shall be tendered by certified cheque drawn on any Canadian chartered bank.

38. Given 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 Real Property is registered, the following provisions shall prevail:

- (a) the Purchaser shall be obliged to retain a solicitor, 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. The Purchaser shall authorize such solicitor to, at the option of the Vendor's solicitor, either execute an escrow closing agreement with the Vendor's solicitor on the standard form recommended by the Law Society of Upper Canada (hereinafter referred to as the "**Escrow Document Registration Agreement**") establishing the procedures and timing for completing this transaction or to otherwise agree to be bound by the procedures set forth in the Escrow Document Registration Agreement;

- (b) the delivery and exchange of documents, monies and keys to the Dwelling, and the release thereof to the Vendor and the Purchaser, as the case may be:
 - (i) shall not occur contemporaneously with the registration of the transfer/deed (and other registerable documentation); and
 - (ii) shall be governed by the Escrow Document Registration Agreement, pursuant to which the solicitor receiving the documents, keys and/or certified funds will be required to hold same in escrow, and will not be entitled to release same except in strict accordance with the provisions of the Escrow Document Registration Agreement;
- (c) if the Purchaser's solicitor is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Document Registration Agreement, then said solicitor shall be obliged to personally attend at the office of the Vendor's solicitor, at such time on the Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office and shall pay a fee as determined by the Vendor's solicitor, acting reasonably, for the use of the Vendor's solicitor's computer facilities;
- (d) the Purchaser expressly acknowledges and agrees that the Purchaser will not be entitled to receive the transfer/deed of land to the Real Property for registration until the balance of funds due on the Closing Date, in accordance with the statement of adjustments, are either remitted by certified cheque(s) via personal delivery or by electronic funds transfer to the Vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the transfer/deed of land for registration;
- (e) each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the Real Property may be delivered to the other party hereto by telefax transmission (or by a similar system reproducing the original) or by electronic transmission of electronically signed documents through the Internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto which may be by electronic signature. The party transmitting any such document shall also deliver the original of same [unless the document is an electronically signed document pursuant to the *Electronic Commerce Act of Ontario*, as may be amended] to the recipient party by overnight courier sent the day after Closing, if same has been so requested by the recipient party; and
- (f) notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by the Vendor upon the Purchaser when the Vendor's solicitor has:
 - (i) delivered all closing documents to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement and keys are also delivered to the Purchaser's solicitor or made available for the Purchaser to pick up at the Vendor's sales office, customer service office or construction site office;
 - (ii) advised the Purchaser's solicitor, in writing, that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) has completed all steps required by 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,

without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents and/or keys and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

39. Notwithstanding anything herein contained to the contrary, in the event the Purchaser or the Purchaser's solicitor advises the Vendor or the Vendor's solicitor, on or before the Closing Date, that the Purchaser is unable or unwilling to complete the purchase of the Real Property, the Vendor shall be relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's solicitor and the Vendor may forthwith exercise any and all of its rights and/or remedies in this Agreement and/or at law.

DEFAULT AND REMEDIES

40. (a) The Purchaser shall be deemed to be in default under this Agreement in each and every one of the following events, namely:
- (i) upon the non-payment of all or any portion of the Purchase Price, or any other amount due hereunder;
 - (ii) upon a breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser; and
 - (iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Real Property.
- (b) A certificate of the Vendor or an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been given to the

Purchaser, shall be conclusive evidence of the facts therein stated. In the event of any such default in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the rights and remedies as set out below.

(c) In the event of a default by the Purchaser, then, in addition to any other rights or remedies which the Vendor may have, the Vendor, at its sole option, shall have the right to terminate this Agreement and preserve any rights the Vendor may have against the Purchaser and in such event, all monies paid hereunder (including the deposit monies paid or agreed to be paid by the Purchaser pursuant to this Agreement which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon and monies paid or payable for extras or upgrades or changes ordered by the Purchaser, whether or not installed in the Dwelling, shall be forfeited to the Vendor. The Purchaser agrees that the forfeiture of the aforesaid monies shall not be a penalty and it shall not be necessary for the Vendor to prove it suffered any damages in order for the Vendor to be able to retain the aforesaid monies. The Vendor shall in such event still be entitled to claim damages from the Purchaser in addition to any monies forfeited to the Vendor. In the event the Vendor's solicitors are holding any of the deposit monies in trust pursuant to this Agreement, then in the event of a default, the Vendor's solicitors shall pay to the Vendor the said deposit monies together with any interest accrued thereon, provided the Vendor has delivered to its solicitors a certificate of the Vendor or an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the said deposit monies and accrued interest, if any. Thereupon the Purchaser hereby releases the Vendor's solicitors from any obligation to hold the said deposit monies, if any, and interest, if any, in trust, and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies, if any, and accrued interest, if any, to the Vendor.

(d) It is understood and agreed that the rights contained in this Section on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment of any amount as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to eight per cent (8%) above the prime rate of the Vendor's bank, calculated from the due date to the date of payment. Prime rate for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which the Vendor's bank establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time. In the event of any other default under this Agreement by the Purchaser the Vendor shall have the right, at its sole option, but not the obligation, to take whatever steps are necessary to correct and/or remedy such default and the Purchaser shall pay forthwith to the Vendor upon demand the costs and expenses of the Vendor in doing so plus a fifteen percent (15%) administration fee. In the event the Purchaser fails to pay any of the foregoing amounts to the Vendor after demand the Vendor shall have the right, at its option, to add any of such outstanding amounts to the Purchase Price as an adjustment on the Closing Date.

41. The Purchaser covenants and agrees to pay to the Vendor all amounts to correct and remedy all damage caused by the Purchaser or those for whom he is in law responsible to any services installed within the Subdivision, which services shall, without limitation, include survey stakes, landscaping, trees, curbs, curb cuts, streets, roads, sidewalks, street signs, street lighting, sanitary and storm sewers and any underground services installed by or on behalf of any public or private utilities. The amounts so paid by the Vendor shall form and constitute a Vendor's lien against the Real Property which Vendor's lien may be enforced in the same manner as a mortgage/charge thereon.
42. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss or injury to a person or property of the Purchaser or any of the Purchaser's friends, relatives, workmen, agents or anyone else for whom at law the Purchaser is responsible who have entered on the Real Property or any part of the Subdivision whether with or without the authorization, express or implied, of the Vendor.
43. No waiver by the Vendor of any breach of covenant or default in the performance of any obligation hereunder or any failure by the Vendor to enforce its rights herein shall constitute any further waiver of the Vendor's rights herein, it being the express intent of the parties that any waiver or forbearance in enforcing its rights by the Vendor shall apply solely to that particular breach or failure.
44. Notwithstanding anything contained in this Agreement it is understood and agreed by the parties hereto that in the event that construction of the Dwelling is not completed on or before the Closing Date for any reason or in the event the Vendor cannot complete the subject transaction on the Closing Date, other than as a result of the Purchaser's default, the Vendor shall not be responsible or liable to the Purchaser in any way for any damages or costs whatsoever including without limitation loss of bargain, relocation costs, loss of income, professional fees and disbursements and any amount paid to third parties on account of decoration, construction or fixturing costs other than those costs set out in the Taron Addendum.

CAUSE OF ACTION/VENDOR ASSIGNMENT

45. (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of

constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

- (b) At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser or the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the vendor herein as if it had been an original party to this Agreement, in the place and instead of the Vendor.

NOTICE

46. Any notice required to be delivered under the provisions of the Tarion Addendum shall be delivered in the manner required therein.
47. Any other notice given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, ordinary prepaid post, facsimile transmission or electronic mail to the attention of the Purchaser or the Purchaser's solicitor to their respective addresses set out in this Agreement and to the Vendor or the Vendor's solicitors to their respective addresses set out in this Agreement or in all cases such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, facsimile transmission or electronic mail and upon the third day following posting excluding Saturdays, Sundays and statutory holidays. In the event of a mail stoppage or slow down, all notices shall be delivered, sent by facsimile transmission or sent by electronic mail. This Agreement or any amendments or addendum thereto may, at the Vendor's option, be properly delivered, if delivered by facsimile transmission or if a copy of same is computer scanned and forwarded by electronic mail to the other party.

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

48. The Purchaser hereby consents to the Vendor's collection, use and disclosure of the Purchaser's personal information for the purpose of enabling the Vendor to proceed with the Purchaser's purchase of the Real Property, completion of this transaction, and for post-closing and after-sales customer care purposes. Such personal information includes the Purchaser's name, home address, e-mail address, telefax/telephone number, age, date of birth, marital status, residency status, social insurance number (only with respect to subparagraph (b) below), financial information, desired Dwelling design(s) and colour/finish selections. In particular but without limiting the foregoing, the Vendor may disclose such personal information to:
- (a) any relevant governmental authorities or agencies, including without limitation, the Land Titles Office (in which the Real Property is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and the Canada Revenue Agency ("**CRA**") (i.e. with respect to HST);
 - (b) CRA, to whose attention the T-5 interest income tax information return and/or the NR4 non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(1)(b)(ii) of the *Income Tax Act (Canada)*, as may be amended;
 - (c) any companies or legal entities that are associated with, related to or affiliated with the Vendor (or with the Vendor's parent/holding company, if applicable) and are developing one or more other developments, projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;
 - (d) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family with respect to the Real Property, including without limitation, the Vendor's construction lender(s), the person and/or firm monitoring the project of which the Real Property forms a part (the "**Project**") and its costs, the Vendor's designated construction lender(s), Tarion and/or any warranty bond provider and/or deposit insurer, required in connection with the development and/or construction financing of the Project and/or the Real Property and/or the financing of the Purchaser's acquisition of the Property from the Vendor;
 - (e) any insurance companies of the Vendor providing (or wishing to provide) insurance coverage with respect to the Project and/or the Real Property (or any portion thereof) and any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;
 - (f) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Dwelling and the Real Property and the installation of any extras or upgrades ordered or requested by the Purchaser;
 - (g) one or more providers of cable television, telephone, telecommunication, security alarm systems, hydro-electricity, water/chilled water/hot water, gas and/or other similar or related services to the Real Property (or any portion thereof) (collectively, the "**Utilities**") unless

the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to one or more of the Utilities;

- (h) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related to or affiliated with the Vendor, and who may send (by e-mail or other means) promotional literature/brochures about new developments, projects or communities and/or related services to the Purchaser and/or members of the Purchaser's family unless the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to one or more of the aforementioned third party data processing companies;
- (i) the Vendor's solicitors, to facilitate the closing of this transaction, including the closing by electronic means via the TERS, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation; and
- (j) any person, where the Purchaser further consents to such disclosure or disclosures required by law.

Any questions or concerns of the Purchaser with respect to the collection, use or disclosure of the Purchaser's personal information may be delivered to the Vendor at the address set out in the Taron Addendum to the attention of the Privacy Officer.

KEYS

49. The Purchaser agrees that keys may be released to the Purchaser at the Vendor's sales office, customer service office, construction site office, or by way of release of a code to a lock box situated _____ on _____ the _____ the Dwellings front door, as selected by the Vendor (the "Office") as upon completion of this transaction, unless otherwise determined by the Vendor. The Vendor's or its solicitors' advice that keys are available for release to the Purchaser constitutes a valid delivery of keys to the Purchaser. The Purchaser shall have until 5:30 p.m. on the date keys are released to pick up same from the Office, failing which the Purchaser may pick up the keys on the next following business day.

ONE-TIME UNILATERAL RIGHT TO EXTEND CLOSING

50. The Vendor shall have a one-time unilateral right to extend the Closing Date for one (1) Business Day (as defined in the Taron Addendum) to avoid the necessity of tender where the Purchaser is not ready to close on the Closing Date and delayed closing compensation will not be payable for such period.

CONSTRUCTION LIEN ACT

51. The Purchaser covenants and agrees that the Purchaser is a "home buyer" within the meaning of the Construction Lien Act of Ontario, as may be amended, and will not claim any lien holdback on the Closing Date.

GENERAL

52. This offer, when accepted, shall constitute a binding agreement of purchase and sale. Time shall in all respects be of the essence of this Agreement. All of the Purchaser's and Vendor's covenants and obligations contained in this Agreement shall survive Closing of this transaction. It is agreed that there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement or the Dwelling or the Real Property, except as set forth herein in writing, and this Agreement shall not be amended except in writing. The Purchaser releases and absolves the Vendor of any obligation to perform or comply with any promises or representations as may have been made by any sales representative or in any sales or marketing material(s), unless the same has been reduced to writing herein.
53. This offer and acceptance is to be read with all changes (including gender and number) required by the context, and shall be construed in accordance with the laws of the Province of Ontario.
54. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.
55. The parties hereto agree that the signatures and/or initials on this Agreement or its acceptance, rejection or modification can be transmitted by fax transmission or, at the Vendor's option, by email (wherein a copy is scanned and forwarded by email to the other party) and that communication by such means will be legal and binding on all parties hereto.
56. In the event there are any matters provided for in this Agreement which are or may be the Vendor's responsibility pursuant to a municipal, regional or other governmental authority requirement and which the Municipality and/or Region and/or any other governmental authority no longer requires the Vendor to perform, complete, construct or install then such matter(s) shall be deleted from this Agreement and the Vendor shall have no responsibility or obligation in respect thereof.
57. The Purchaser agrees to comply with the terms of any direction re: funds provided by the Vendor or its solicitors in respect of the balance due on the Closing Date and to deliver on the Closing Date certified cheques for the balance due on Closing as directed by the Vendor or its solicitors.
58. The headings of this Agreement form no part hereof and are inserted for convenience of reference only.
59. If any provision of this Agreement or the application to any circumstances shall be held to be invalid or unenforceable, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.
60. The Purchaser and the Vendor acknowledge that this Agreement shall be deemed to be a contract under seal.
61. The Purchaser agrees as follows:

- (a) if any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the Land Titles Office where the Real Property is registered, and a notarial copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that the said power of attorney has not been revoked) shall be delivered to the Vendor and the Vendor's solicitors along with such documents; and
- (b) where the Purchaser is a corporation, or where the Purchaser is buying in trust for another person or corporation for a disclosed or undisclosed beneficiary or principal (including, without limitation, a corporation to be incorporated), the execution of this Agreement by the principal or principals of such corporation, or by the person named as the Purchaser in trust as the case may be, shall be deemed and construed to constitute the personal indemnity of such person or persons so signing with respect to the obligations of the Purchaser herein and shall be fully liable to the Vendor for the Purchaser's obligations under this Agreement and the Purchaser may not plead such agency, trust relationship or any other relationships as a defence to such liability.

ADDITIONAL PROVISIONS

- 62. Any fencing, retaining walls or noise barriers or other items of a similar nature erected by the Vendor or the Municipality on, adjacent to or abutting the Real Property shall be maintained by the Purchaser, after Closing, without any modification or alteration whatsoever and in good order and tidy appearance and any landscaping provided by the Vendor in connection therewith shall be maintained by the Purchaser in good order and condition.
- 63. The Purchaser hereby acknowledges that complete engineering data in respect of the municipally approved final grading of the Real Property may not, as yet, be completed. Accordingly, it may either (i) not be possible to construct the Dwelling with a walkout basement, lookout basement, backsplit or rear deck or (ii) the Vendor may be required to construct the Dwelling with a walkout basement, lookout basement, backsplit or rear deck even though one was not contemplated. In the event that this Agreement calls for a walkout basement, lookout basement, backsplit or rear deck and the Municipality will not permit the walkout basement, lookout basement, backsplit or rear deck, the Vendor shall provide written notice of same to the Purchaser and the Purchaser shall accept the Real Property without the walkout basement, lookout basement, backsplit or rear deck and be entitled to an abatement in the Purchase Price on Closing of the amount paid for the consideration of the walkout basement, lookout basement, backsplit or rear deck, as determined solely by the Vendor and evidenced by a certificate of the Vendor or statutory declaration of an officer of the Vendor. In the event that this Agreement does not call for a walkout basement, lookout basement, backsplit or rear deck, and the Municipality requires the construction of a walkout basement, lookout basement, backsplit or rear deck, the Vendor shall provide written notice of same to the Purchaser and the Purchaser shall accept the walkout basement, lookout basement, backsplit or rear deck and pay the Vendor's actual costs of such additional construction for same without mark up but include the cost of all associated construction equipment, labour and materials as an adjustment on the Closing Date (which costs shall be determined solely by the Vendor and evidenced by a certificate of the Vendor or statutory declaration of an officer of the Vendor). In dwellings where a lookout basement is required, a deck with steps and larger rear wall basement windows may be required. The Vendor may install such deck with steps and windows and the Purchaser shall pay to the Vendor, as an adjustment on the Closing Date, an amount equal to the Vendor's actual costs to supply and install such deck with steps and larger rear wall basement windows without mark up, but include the cost of all associated construction equipment, labour and materials (which costs shall be determined solely by the Vendor and evidenced by a certificate of the Vendor or statutory declaration of an officer of the Vendor). In addition, in dwellings where a walkout basement, lookout basement or backsplit is required, lot grading circumstances may require that the patio doors on the main floor be constructed with wrought iron installed on its exterior and may require one (1) patio door and one (1) window be installed in the rear wall of the basement and the costs associated with same shall be dealt with in the same manner as set out above.
- 64. If the Municipality requires the installation of an air conditioning unit or any additional improvements (the "Municipal Additional Requirements") in or about the Dwelling, the Purchaser covenants and agrees to pay to the Vendor for the cost of the Municipal Additional Requirements and for the installation thereof. The Purchaser shall pay such cost forthwith upon request from the Vendor or as an adjustment on the Closing Date to the credit of the Vendor, at the Vendor may decide.
- 65. The Purchaser agrees to provide the Vendor, from time to time, a copy of the Purchaser's mortgage commitment from a financial institution and/or confirmation from the applicable lender that such mortgage commitment remains in good standing within three (3) business days of this request by the Vendor, failing which the Purchaser will be in default under this Agreement. In the event such mortgage commitment is terminated or not in good standing at any time prior to Closing the Purchaser shall be deemed to be in default under this Agreement. If a copy of the mortgage commitment or confirmation as contemplated above are provided by a mortgage broker or other party on behalf of the financial institution/applicable lender then the mortgage broker or other party shall be satisfactory to the Vendor in its sole discretion failing which the Purchaser shall be deemed to be in default under this Agreement.
- 66. In the event that prior to Closing the Purchaser's lender withdraws its approval of the Purchaser for a loan to purchase the Real Property due to any default, act or omission of the Purchaser or the Purchaser advises the Vendor that the Purchaser cannot obtain financing for the purchase of the Real Property then the Purchaser shall be deemed to be in default under this Agreement. The Vendor shall also have the right, but not the obligation, at its sole option to take back or arrange financing whether a first and/or second mortgage directly from the Purchaser for an amount determined by the Vendor for a one year term payable interest only on the outstanding principal balance of such mortgage at a rate of interest not to exceed the prime rate of interest of the Vendor's bank plus five per cent per annum calculated and payable monthly with any adjustments to the prime rate being made as same occur. The mortgage(s) shall be on the Vendor's or arranged mortgagee's standard form of mortgage and contain a due on sale clause and payment of monthly instalments of interest by post-dated cheque or pre-authorized payment clause and the Purchaser covenants and agrees to execute and deliver such mortgage(s) on the Closing Date. The Purchaser shall also forthwith upon request do all acts and execute and deliver all documents both before and

after Closing as may be required by the Vendor or the arranged mortgagee in connection with the taking back or giving of such mortgage(s). The Purchaser covenants that the Purchaser's spouse shall execute all such additional documents as may be required including a guarantee of the repayment of such mortgage(s).

67. The Purchaser covenants and agrees that the Purchaser will not obstruct or interfere in any manner whatsoever with the water box located on the Real Property (the "WB"). If the Purchaser defaults in respect of such covenant and agreement or in any way damages the WB or in way prevents the Vendor and its agents and contractors from having free and uninterrupted access to the WB for repair(s) thereto and/or maintenance thereof prior to the acceptance of the Subdivision services in the Subdivision by the Municipality the Purchaser shall be responsible for any and all damages, costs and expenses of the Vendor and its agents and contractors as a result thereof and shall pay for same upon demand by the Vendor. In addition, the Vendor and its agents and contractors are hereby authorized by the Purchaser to take whatever steps the Vendor may determine that is required to access and deal with the WB for repair(s) and/or maintenance and the Purchaser shall be responsible for any and all costs and expenses of the Vendor and its agents and contractors in respect thereof. The Vendor and its agents and contractors shall have access to the Real Property at all times for the purposes of this provision without same being a trespass. It is understood and agreed that the Vendor shall not be responsible to repair any damage to the Real Property caused by it or its agents and contractors in carrying out any of their rights under this provision. If the Purchaser does not pay any amounts due to the Vendor and its agents and contractors hereunder the Vendor may use any security deposit provided for in this Agreement to obtain such payment and if the Subdivision services have not been assumed or accepted by the Municipality the Purchaser shall deliver a cheque to the Vendor to cover the difference between the required security deposit amount and the actual security deposit amount held by the Vendor after deduction of any amounts taken by the Vendor as permitted hereunder.
68. The offer, when accepted shall constitute a binding agreement of purchase and sale. Time shall in all respects be of the essence of this Agreement. All of the Purchaser's and Vendor's covenants and obligations contained in this Agreement shall survive Closing of this transaction. It is agreed that there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement or the Dwelling or the Real Property, except as set forth herein in writing, and this Agreement shall not be amended except in writing. The Purchaser acknowledges that the new home industry is multi-faceted and complex and that while sales representatives are knowledgeable about many of the issues regarding the sale and construction of a new home they cannot be expected to know all aspects of same or all of the details of same. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser which the Purchaser is relying on in making the Purchaser's decision to purchase the Dwelling or the Real Property except as set forth in this Agreement in writing. The Purchaser releases and absolves the Vendor of any obligation to perform or comply with any promises or representations as may have been made by any sales representative or in any sales or marketing material(s), unless the same has been reduced to writing herein.
69. The Purchaser represents and warrants that the Purchaser has not been introduced to the Real Property by any real estate agent or broker or by any other party (individually and collectively, the "Agent") that may be entitled to a commission or compensation for the sale or purchase of the Real Property and in no event shall the Vendor be obligated to pay any such Agent a commission or compensation. In the event a claim is made against the Vendor by an Agent the Purchaser shall indemnify and save the Vendor harmless from any monetary claim made by any Agent against the Vendor and for any costs or expenses (including legal fees on a full indemnity basis) incurred by the Vendor in defending such claim.
70. The within offer shall be irrevocable by the Purchaser until 5:00 p.m. on the Irrevocable Date after which time, if not accepted, this offer shall be null and void.
71. If there is a form of Acknowledgement attached to this Agreement same shall form a part of this Agreement and shall be executed by the Purchaser and delivered to the Vendor on the Closing Date. The Purchaser acknowledges that it has read all Sections and Schedules of this Agreement and the form of Acknowledgement.
72. The parties to this Agreement hereby acknowledge and agree that if any of the parties hereto elects to advance any claim against the other party as a result of any issues or disputes that may arise in respect of or in connection with this Agreement then such claims shall be determined and resolved by arbitration under the ADR Chambers Arbitration Rules or such other administrative body as the parties may agree upon and not through any court proceedings. The arbitration shall be Toronto, Ontario and in the English language.

The party commencing the arbitration shall include in its written notice electing to arbitrate a matter the names of three individuals who are acceptable to it to serve as a sole arbitrator. Within 10 days of the receipt of the notice, the other party shall give written notice that it accepts the appointment of one of the three individuals or shall name three other individuals who are acceptable to it to serve as sole arbitrator. If the parties are unable to agree upon a sole arbitrator within a further 10 days, the appointment of a sole arbitrator shall be made by the ADR Institute of Canada, Inc. or such replacement entity in accordance with that institution's rules and procedures.

Any award or determination of the arbitrator shall be final and binding on the parties and there shall be no appeal on any ground, including for greater certainty, any appeal on a question of law, a question of fact, or a question of mixed fact and law.

The arbitrator may apportion costs of the arbitration, including the reasonable fees and disbursements of the parties, between or among the parties in such manner as the arbitrator considers reasonable.

THE PURCHASER WARRANTS THAT THE PURCHASER HAS NOT RELIED UPON ANY VERBAL REPRESENTATION OR PROMISES OTHER THAN THOSE EXPRESSLY CONTAINED IN THIS AGREEMENT OF PURCHASE AND SALE.

Erin Glen

Vendor: _____

Purchasers: _____

SCHEDULE 'D'

ACKNOWLEDGEMENT OF WARNING CLAUSES - TOWN OF ERIN

The Purchaser hereby acknowledges being warned and/or notified of the following matters and/or that title to the Property is, or will be, subject to the following restrictive covenants and/or restrictions, all of which shall be in addition to those set out in Schedule "A" to which this Schedule "D" is attached:

- (a) The Purchaser is advised that as a condition of approval of the Subdivision within which the Lot is located, the Municipality has required the Vendor and/or the Subdivider to undertake and bear the cost of the following items:
- i. Street trees (trees planted in the Municipality boulevard or in adjacent public lands or private lots in order to meet the conditions of Subdivision approval;
 - ii. Fencing as required by the Municipality;
 - iii. Fencing at lanes (if specifically required by the Municipality);
 - iv. Noise attenuation fencing if identified and recommended by the Municipality;
 - v. Fencing of parks, walkways and stormwater management pond blocks;
 - vi. Buffer planting for open space, walkway and stormwater management pond blocks and single loaded street allowances; and
 - vii. Decorative fencing as identified on landscape plans approved by the Municipality
- The costs related to items above of which have been borne by the Vendor and/or the Subdivider and shall not be adjusted for or otherwise credited to the Vendor on the Statement of Adjustments.
- (b) The Purchaser is advised that mail delivery to the Property will be to a designated community mailbox, the approximate location of which community mailbox will be confirmed prior to Closing.
- (c) If the Dwelling contains only one single-car garage, the Purchaser is advised that:
- i. The Municipality's parking by-law requires that the Property be serviced by at least two parking spaces, one being located on the driveway and one being located in the garage;
 - ii. The Municipality's zoning by-law restricts the width of such driveway which may not permit two vehicles to park side-by-side; and
 - iii. Overnight street parking is not permitted by the Municipality.
- (d) If the Lot abuts a Natural Heritage, SWM Pond or Open Space block (as such terms are defined in the Subdivision Agreement), the Purchaser is advised that lands adjacent to the Property have been conveyed to the Municipality for environmental protection and/or stormwater management purposes. These lands will be left in an untouched, naturalized state. The Purchaser is advised that building encroachments, dumping of yard waste, and removal of grass and vegetation is not permitted on Municipality-owned lands. No fence gates shall be permitted between private property and environmentally sensitive areas. The Purchaser is further advised that trails are planned to be constructed within the valley system which may result in pedestrian traffic and noise.
- (e) If the Lot abuts an NHS (as such term is defined in the Subdivision Agreement) and where the Dwelling is situate on any one of Lots 839 through 882 (inclusive), the adjacent public land will remain as a low maintenance environment.
- (f) Whereas the Upper Grand District School Board has designated the Subdivision as a Development Area for the purposes of school accommodation, and despite the best efforts of the Upper Grand District School Board, sufficient accommodation may not be available for all students anticipated from the area, the Purchaser is hereby notified that students may be accommodated in temporary facilities and/or bussed to a school outside the area, and further, that students may in future have to be transferred to another school.
- (g) In order to limit liability, public school buses operated by the Service de transport de Wellington-Dufferin Student Transportation Services (STWDSTS), or its assigns or successors, will not travel on privately owned or maintained rights-of-way to pick up students, and potential busing students will be required to meet the bus at a congregated bus pick-up point.
- (h) Block 908 (being more particularly described in the Subdivision Agreement) represents a potential school site. The construction of a public school in the community is not guaranteed. Attendance at a school yet to be constructed in the area.
- (i) Foregoing warning clauses include only those which are currently set out and required by the conditions of subdivision approval.

SCHEDULE "E"

RECEIPT CONFIRMATION

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

1. A true and complete copy of this Agreement or proposed Agreement

Dated this _____ day of _____.

WITNESS:

) _____
) Purchaser: Erin Doe

) _____
) Purchaser:

SCHEDULE "N"

CAPPED CLOSING COSTS

The Vendor agrees to cap the closing cost at **\$7,500.00** (plus HST) for the expense of the Purchaser to include the following: Tarion Warranty Corporation Enrolment Fee, the Home Construction Regulatory Fee, grading deposit, boulevard tree planting, water meter and hydro meter, law society, internet delivery, survey, and recyclable garbage bins.

FOR REFERENCE ONLY

SCHEDULE "N-C"
NON- CANADIANS

Lot: 944 Purchaser(s): Erin Doe

Vendor: Lakeview Homes (Erin Glen) Inc. Plan: 61M-259

The following is added to and shall form part of the Agreement of Purchase and Sale:

The Purchaser acknowledges the provisions set forth in the N-C Act (as hereinafter defined) and the Purchaser hereby covenants, warrants and represents to the Vendor, unless the Purchaser is exempt from the application of the N-C Act (an "Exempt Person"), that the Purchaser is not a non-Canadian as defined by the N-C Act (a "non-Canadian") nor will the Purchaser be a non-Canadian before the final closing of the transaction contemplated by this Agreement (the "Closing"). The Purchaser further covenants, warrants and represents to the Vendor that it is purchasing the subject property as principal for its own account and same is not being purchased by the Purchaser as an agent, trustee or otherwise on behalf of or for another person or entity. In the event the Purchaser (or any assignee of the Agreement by the Purchaser, whether permitted or not by the Agreement) is determined by the Vendor, on or before Closing, to be a non-Canadian and on the date of such determination is not an Exempt Person, same shall constitute a default under this Agreement and the Vendor shall be entitled, at its sole option, to unilaterally declare this Agreement (and the occupancy license (if applicable)) to be terminated and of no further force or effect. All monies paid hereunder (including the deposit monies paid or agreed to be paid by the Purchaser pursuant to this Agreement which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon (whether or not such interest would have been payable or accrue to the benefit of the Purchaser as provided for elsewhere in this Agreement) and monies paid or payable for extras or upgrades or changes ordered by the Purchaser, whether or not installed in the dwelling, shall be forfeited to the Vendor. The Purchaser agrees that the forfeiture of the aforesaid monies shall not be a penalty and it shall not be necessary for the Vendor to prove it suffered any damages in order for the Vendor to be able to retain the aforesaid monies. The Vendor shall in such event still be entitled to claim damages from the Purchaser in addition to any monies forfeited to the Vendor. In addition, the Purchaser shall indemnify and save harmless the Vendor and/or related or associated corporations to the Vendor, their directors, officers, employees and agents, and the legal counsel of the Vendor, and/or authorized agents of the Vendor, and the successors or assigns of each, from and against all loss, penalties, fines, liability, claims, demands, damages, costs (including without limitation all legal costs) and expenses which may be made or brought against any of them, or which they may sustain by reason of the Purchaser being determined to be a non-Canadian who is not an Exempt Person and this indemnity shall survive the Closing. Upon execution of this Agreement, the Purchaser shall provide written evidence and confirmation, satisfactory to the Vendor, that the Purchaser is not a non-Canadian or is an Exempt Person. In addition, at any time on or prior to Closing, the Purchaser shall also provide such written evidence and confirmation, satisfactory to the Vendor (which may include, without limitation, a statutory declaration of the Purchaser), that the Purchaser is not a non-Canadian in accordance with the N-C Act or is an Exempt Person.

In accordance with the *Prohibition on the Purchase of Residential Property by Non-Canadians Act*, S.C. 2022, c. 10, s. 235 (the "N-C Act"), a non-Canadian is defined as follows:

- a) an individual that is neither a Canadian citizen, nor a person registered as an Indian under the *Indian Act*, nor a permanent resident;
- b) a corporation incorporated otherwise than under the laws of Canada or a province;
- c) a corporation that is incorporated under the laws of Canada or a province whose shares are not listed on a stock exchange in Canada for which a designation under section 262 of the *Income Tax Act* is in effect and that is controlled by a person referred to in paragraph (a) or (b); and
- d) a prescribed person or entity.

The definition of non-Canadian and the determination of who may be an Exempt Person may be further amended or revised in accordance with the regulations or changes to the N-C Act.

The Purchaser(s) have provided the following identification and/or documentation to evidence that they are not a non-Canadian and **SHALL PROVIDE NOTICE TO THE VENDOR SHOULD THE PURCHASER BECOME** i) a non-Canadian or ii) person who is not an Exempt Person: (Copies of documentation may be kept on file by the Vendor)

For Individuals:

- | | |
|---------------------------------------|----------------------|
| 1. Canadian Passport: | No. <u>LV2036548</u> |
| 2. Canadian Birth Certificate: | No. _____ |
| 3. Canadian Permanent Residency Card: | No. _____ |
| 4. Indian Status Card: | No. _____ |