

AGREEMENT OF PURCHASE AND SALE

The undersigned Purchaser hereby agrees to and with the undersigned Vendor to purchase the property (the "Property") described below (and as may be shown on a schedule attached hereto) on the following terms:

Purchaser: _____ (DOB: _____)
day month year

Purchaser: _____ (DOB: _____)
day month year

Vendor: **INDESIGN HOMES (TRALEE) INC.**

Real Estate Broker: _____ Site Staff: _____

Lot No: _____ Model Type: _____ Elevation: _____

Plan No: 65M-2838 Municipality: Richmond Hill Part No(s). _____ on Plan 65R-41107

Street: _____

Purchase Price: \$ _____

Deposit: \$ _____ by cheque payable to the Vendor, with this Agreement

Further Deposit: \$ _____ by cheque payable to the Vendor post-dated ___ days following the date of execution of this Agreement

Further Deposit: \$ _____ by cheque payable to the Vendor post-dated ___ days following the date of execution of this Agreement

Further Deposit: \$ _____ by cheque payable to the Vendor post-dated ___ days following the date of execution of this Agreement

Further Deposit: \$ _____ by cheque payable to the Vendor post-dated ___ days following the date of execution of this Agreement

The following Schedules attached hereto form a part of this agreement: A, B, C, X, Statement of Critical Dates and Addendum to Agreement of Purchase and Sale, Tarion Warranty Information for New Freehold Homes, Schedule "W" – Warning Clauses, N-C – Non-Canadian Purchasers; Hot Water Heater Rental Agreement, Plan 65R-41107, Assignment Schedule. Schedule "Proposed Rebate"

Date of Offer: the _____ day of _____, 202_____.

Irrevocable Date: the _____ day of _____, 202_____.

The Closing (as defined in the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale appended hereto) of the purchase of the Property shall occur on the date established pursuant to the provisions of the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale which date is referred to herein as the "Closing Date".

ORAL REPRESENTATIONS DO NOT FORM PART OF NOR CAN THEY AMEND THIS AGREEMENT.

Signed, Sealed and Delivered)
in the presence of)
) _____ seal
)
)
)
) _____ seal

Purchaser's Address: _____ Telephone numbers and email address: _____

Notify your Vendor in writing of any changes to this information immediately following such changes.

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

ACCEPTED this _____ day of _____, 20_____.

INDESIGN HOMES (TRALEE) INC.

per: _____ Authorized Signing Officer
I have authority to bind the Corporation

Purchaser's Solicitor:

Vendor's Solicitors:
BRATTYS LLP
Attention: Anthony Romanelli
7501 Keele Street, Suite 200
Vaughan, Ontario L4K 1Y2
tel. (905) 760-2600 fax: (905) 760-2900



ROSA BELLA

SCHEDULE A STANDARD FEATURES & FINISHES TOWNHOMES & SEMI DETACHED

EXTERIOR

1. Architecturally controlled exquisite exterior elevations consisting of clay brick, stone, stucco, soldier coursing, precast surrounds, arches and keystones as per applicable model.
2. Colour-coordinated maintenance-free Low E Argon vinyl casement windows, complete with screens on all operating windows throughout except the basement as per the plan chosen.
3. 8' entry door.
4. White Basement slider windows.
5. Secure self-sealing asphalt shingles on the roof.
6. Reinforced poured concrete porch, where applicable.
7. Premium aluminum railings at the front porch, where required.
8. Premium sectional roll-up garage door with heavy-duty springs and decorative glazing as per plan.
9. Pre-finished aluminum soffit, eavestrough, fascia and downspouts.
10. Poured concrete basement walls with membrane waterproofing protection system and weeping tiles. With poured concrete basement floor slab.
11. Lot to be graded and sodded (Side yards: where continued growth permits, otherwise gravel will be installed at Indesign Homes' sole discretion).
12. Front and side entry door (as per plan) with satin nickel grip set, and all other entry doors with passage and deadbolts.
13. All windows and outside door frames caulked.
14. Two (2) coat paved driveways. Base and top coat.

INTERIOR

15. **Semi-detached** homes to have soaring 10' high ceilings on the main floor with grand 8' door openings and 9' high ceilings on the 2nd floor with 7' door openings (excluding areas due to mechanical system and/or structural requirements).
16. **Town Homes** to have soaring 10' high ceilings on the main floor with grand 8' door openings and 9' high ceilings on the 2nd floor with 7' door openings (excluding areas due to mechanical system and/or structural requirements).
17. Classic Oak staircase with Oak treads, risers, stringers, nosings and Handrails, with a natural finish. Classic wrought iron pickets. (Main to the upper level as per plan).
18. Smooth ceilings on the main floor with stipple sprayed ceilings with a 4" border to all second floor ceilings, excluding laundry rooms and washrooms.
19. Colonial styled baseboards throughout include 4" on the main floor and 4" on the second floor with 2 ¾" casing on all main and second-floor windows, and doorways.
20. All closets have premium wire shelving including line closets.
21. Two (2) Panel smooth doors with satin finish lever hardware and matching hinges.

22. One (1) washable quality paint colour (Low VOC) throughout the house from Indesign Homes standard selection in a flat finish.
23. All woodwork doors, casing and baseboards are to be painted satin white.
24. Tray ceiling in the master bedroom (as per applicable model).

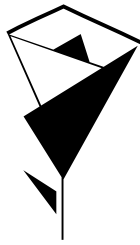
KITCHEN

25. Kitchen cabinetry from Indesign Homes standard selection including extended 39 1/2" uppers cabinetry.
26. Double under-mounted stainless steel sink and modern chrome single lever faucet with pull-out spray.
27. Purchaser's choice of stone countertops from Indesign Homes Standard collection.
28. Electric Range, Dishwasher, Fridge/Freezer, washer and dryer included.

LIGHTING AND ELECTRICAL

29. Indesign Homes standard light fixtures and door chimes.
30. 200 amp electrical service with circuit breakers.
31. Two (2) exterior weatherproof electrical outlets. At the front and rear of the home. One (1) at the front and one (1) at the rear of the home.
32. White Decora type designer switches and plugs in all finished areas.
33. Receptacles in the garage for the future garage door opener (as per plan).
34. Electronic combination smoke detector/carbon monoxide detector hardwired into the electrical system as per Ontario Building Code.
35. Electronic smoke detectors are hardwired into the electrical system. One (1) on each floor (including the basement) and one in each bedroom.
36. Pre-wiring for cable T.V. and telephone in eleven (11) locations as per plan (CAT 6).
37. Rough-in to the garage for future Central Vacuum system.
38. Smart Home Automation included
 - One (1) video doorbell at front door locations determined by Indesign Homes.
 - One (1) smart lock from the main door from the garage to the house.
 - Two (2) programmable smart light switches
 - Two (2) flood sensors. One (1) smart flood sensor located by the washing machine area, and one (1) flood sensor shall be located by the water heater.
 - One (1) smart thermostat.
 - One (1) M4 panel as required for the adequate functioning of the technology package system.
39. Standard hood fan located in the kitchen as per plan.





ROSA BELLA

SCHEDULE A STANDARD FEATURES & FINISHES TOWNHOMES & SEMI DETACHED

BATHROOMS/LAUNDRY

- 40. Luxurious, free-standing soaker tub in the master ensuite bathroom.
- 41. Whisper-quiet fans in all bathrooms and laundry room.
- 42. Modern 4X16 Ceramic tiles in all bathtub enclosures & non-glass walls in shower stalls up to the ceiling only.
- 43. Frameless clear glass shower in the master ensuite bathroom.
- 44. Vanity mirrors in all bathrooms.
- 45. Vanity cabinets in all bathrooms with laminate countertops from Indesign Homes standard collection. With drop-in sink.
- 46. Laundry Room to have floor-mounted utility sink.

PLUMBING AND HEATING

- 47. Single lever chrome finished faucets on all bathroom basins and tubs.
- 48. Temperature balancing controls in all tubs and showers.
- 49. Two (2) exterior water taps (one at the rear of the home and one in the garage) locations to be determined by Indesign Homes.
- 50. Shut off valves under each sink and toilet.

FLOORS

- 51. Engineered floor joist for main and upper-level floor assemblies, glued, joints sanded and screwed before installation of the finished floor.
- 52. 12X24 porcelain floor tile in foyer, all bathrooms, mudroom, and laundry, where applicable, as per the plan from Indesign Homes' standard collection.
- 53. 7" wide durable laminate plank flooring on the ground floor throughout finished areas on the main floor, excluding tiled areas and the basement. Including the kitchen floor. Choices from Indesign Homes standard collection.
- 54. Premium quality 35 oz polyester broadloom carpet with underpad in second-floor bedroom, hallways, and closet areas.



SCHEDULE A1

INCLUSIONS

Inclusion Open Field 1

Inclusion Open Field 2

Inclusion Open Field 3

Inclusions Open Field 4

Inclusion Open Field 5

Draft

The Purchaser(s) agrees that the items above are properly and accurately described and that no other instructions, verbal or otherwise are valid, except those written above.

Vendor Initials

Purchaser Initials

SCHEDULE B1
COPY OF PLANS OR DRAWINGS

Model Name

Square Footage



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 TARION Warranty Corporation's official method of 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. Structural posts and beams may be added at the discretion of the Vendor and as determined by the Architect. Location of the furnace and hot water tank may vary and will be determined at the sole discretion of the Vendor – Purchaser agrees to accept same. The number of steps may vary and are subject to final grading and municipal approval. All images and renderings are artist concept only and subject to change. Roof and wall conditions may vary. E. & O.E.

Vendor Initials

Purchaser Initials

SCHEDULE B2
COPY OF PLANS OR DRAWINGS

Model Name

Square Footage

Basement Floorplan

Draft

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 TARION Warranty Corporation's official method of 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. Structural posts and beams may be added at the discretion of the Vendor and as determined by the Architect. Location of the furnace and hot water tank may vary and will be determined at the sole discretion of the Vendor – Purchaser agrees to accept same. The number of steps may vary and are subject to final grading and municipal approval. All images and renderings are artist concept only and subject to change. Roof and wall conditions may vary. E. & O.E.

Vendor Initials

Purchaser Initials

SCHEDULE B3
COPY OF PLANS OR DRAWINGS

Model Name

Square Footage



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 TARION Warranty Corporation's official method of 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. Structural posts and beams may be added at the discretion of the Vendor and as determined by the Architect. Location of the furnace and hot water tank may vary and will be determined at the sole discretion of the Vendor – Purchaser agrees to accept same. The number of steps may vary and are subject to final grading and municipal approval. All images and renderings are artist concept only and subject to change. Roof and wall conditions may vary. E. & O.E.

Vendor Initials

Purchaser Initials

SCHEDULE B4
COPY OF PLANS OR DRAWINGS

Model Name

Square Footage



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 TARION Warranty Corporation's official method of 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. Structural posts and beams may be added at the discretion of the Vendor and as determined by the Architect. Location of the furnace and hot water tank may vary and will be determined at the sole discretion of the Vendor – Purchaser agrees to accept same. The number of steps may vary and are subject to final grading and municipal approval. All images and renderings are artist concept only and subject to change. Roof and wall conditions may vary. E. & O.E.

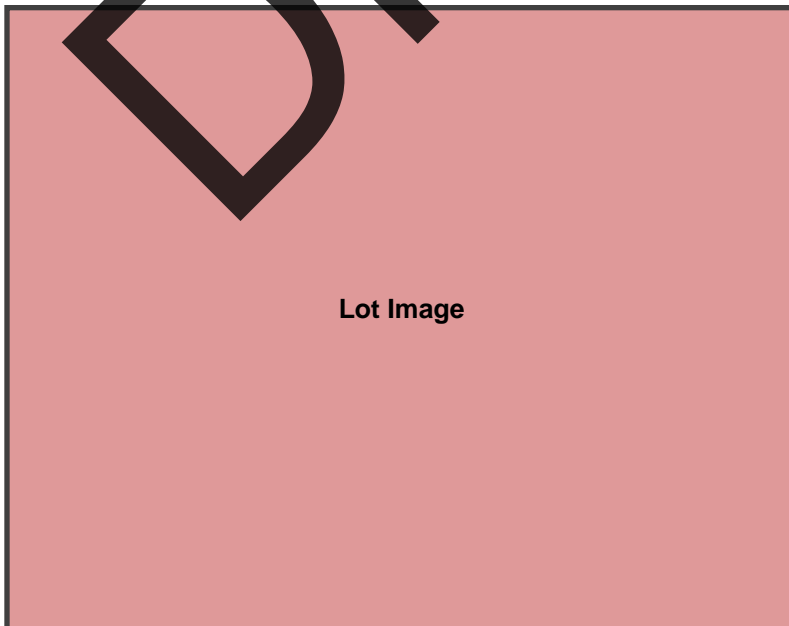
Vendor Initials

Purchaser Initials

SCHEDULE C
SITE PLAN



Siteplan Image



Lot Image

Draft

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 TARION Warranty Corporation's official method of 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. Structural posts and beams may be added at the discretion of the Vendor and as determined by the Architect. Location of the furnace and hot water tank may vary and will be determined at the sole discretion of the Vendor – Purchaser agrees to accept same. The number of steps may vary and are subject to final grading and municipal approval. All images and renderings are artist concept only and subject to change. Roof and wall conditions may vary. E. & O.E.

Vendor Initials

Purchaser Initials

PLAN OF SURVEY OF PART OF LOT 12, PLAN 65M-2838 CITY OF RICHMOND HILL REGIONAL MUNICIPALITY OF YORK

SCALE 1:300
10m 20m 30m 40metres
R-PE SURVEYING LTD., O.L.S.
METRIC

THE INTENDED PLOT SIZE OF THIS PLAN IS 644 mm IN WIDTH BY 490 mm IN HEIGHT WHEN PLOTTED AT A SCALE OF 1:300

METRIC DISTANCES AND COORDINATES SHOWN ON THIS PLAN ARE IN METRES AND CAN BE CONVERTED TO FEET BY DIVIDING BY 0.3048.

NOTES

- DENOTES MONUMENT FOUND
- DENOTES MONUMENT SET
- ▣ DENOTES STANDARD IRON BAR
- ▤ DENOTES SHORT STANDARD IRON BAR
- ▥ DENOTES IRON BAR
- ▦ DENOTES PROPERTY IDENTIFIER NUMBER
- ▧ DENOTES PLAN 65M-3689
- ▨ DENOTES PLAN 65M-22285
- ▩ DENOTES WITNESS
- (WT) DENOTES OBSERVED REFERENCE POINT
- ORP DENOTES OBSERVED REFERENCE POINT

ALL FOUND MONUMENTS ARE BY MARSHALL MACKLIN MONAGHAN ONTARIO LIMITED, O.L.S.
ALL SET MONUMENTS ARE PLASTIC BARS.

SURVEYOR'S CERTIFICATE

- I CERTIFY THAT:
- THIS SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE SURVEYS ACT, THE SURVEYORS ACT AND THE LAND TITLES ACT AND THE REGULATIONS MADE UNDER THEM.
 - THE SURVEY WAS COMPLETED ON THE 20th DAY OF SEPTEMBER, 2024.

DATE OCTOBER 15, 2024.

I. A. ABRAHAM
ONTARIO LAND SURVEYOR

THIS PLAN OF SURVEY RELATES TO AOLS
PLAN SUBMISSION FORM NUMBER V-87471.

PLAN 65R-41107
Received and deposited
October 16th, 2024

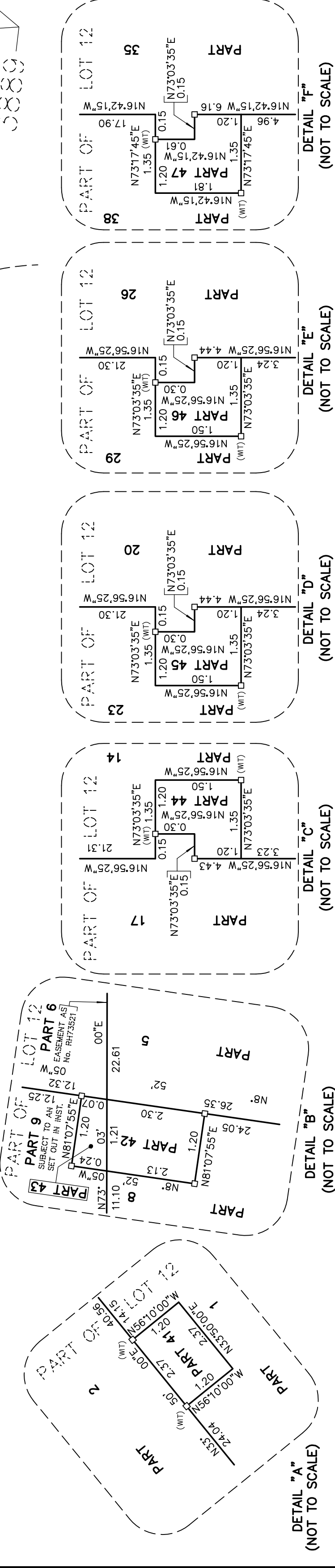
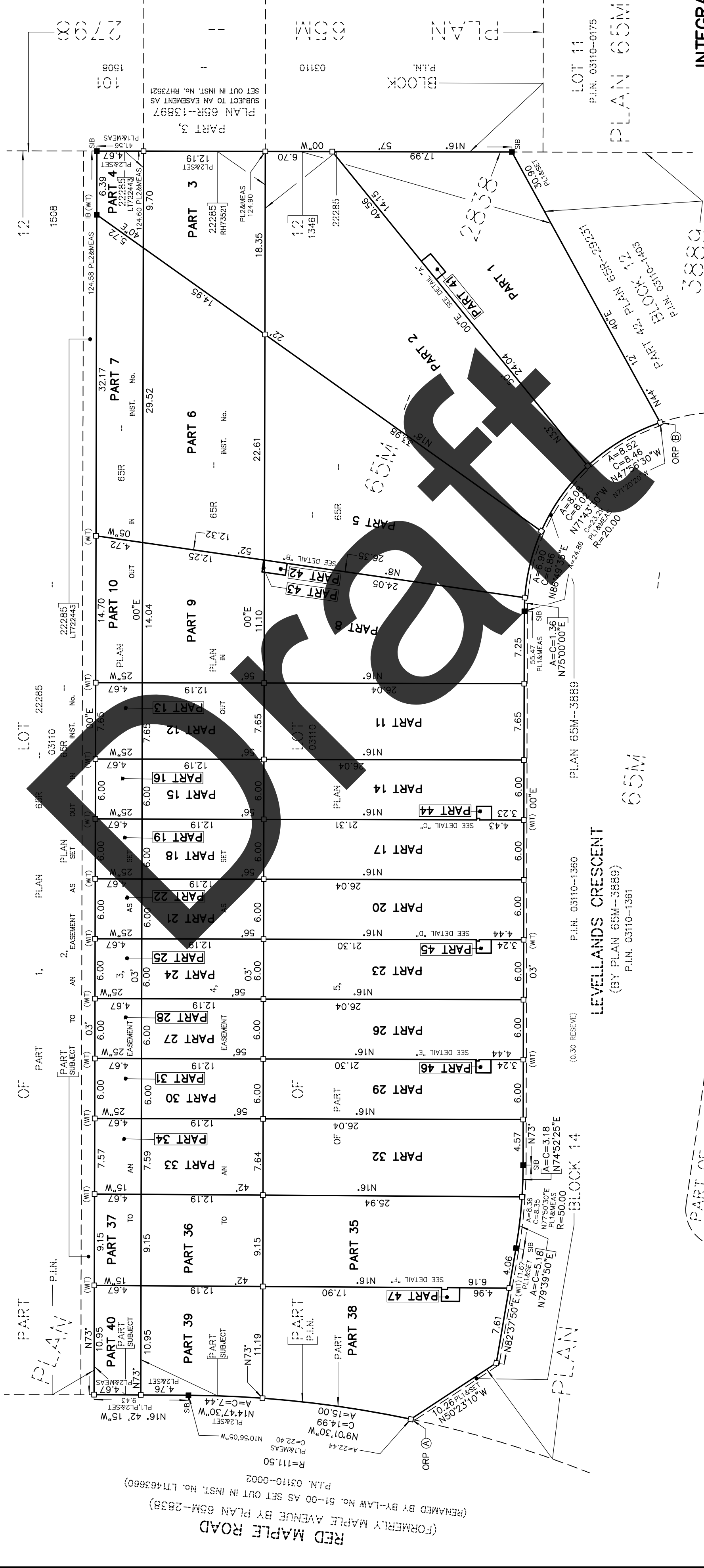
Jennifer Orton

Representative for the
Land Registrar for the
Land Titles Division of
York Region (No.65)

SCHEDULE		
PART(S)	PART OF LOT	ALL OF P.L.N.
1 TO 47 (BOTH INCLUSIVE)	12	65M-2838 03110-1346

PARTS 4, 7, 10, 13, 16, 19, 22, 25, 28, 31, 34, 37
AND 40 ARE SUBJECT TO AN EASEMENT AS
SET OUT IN INST. NO. L1722443

PARTS 3, 6, 9, 12, 15, 18, 21, 24, 27, 30, 33, 36
39 AND 43 ARE SUBJECT TO AN EASEMENT AS
SET OUT IN INST. NO. RH73521



INTEGRATION NOTE

BEARINGS ARE GRID, UTM, NAD83 (CSRS)(2010.0), DERIVED FROM ORP (A) AND ORP (B). OBSERVED REFERENCE POINTS ARE DERIVED FROM REAL TIME NETWORK STATION PRS239440779532 (NORTH 4856317.57, EAST 630179.42). COORDINATES ARE UTM, NAD83 (CSRS)(2010.0), TO URBAN ACCURACY PER SEC. 14 (2) OF REG. 216/10, AND CANNOT, IN THEMSELVES, BE USED TO RE-ESTABLISH CORNERS OR BOUNDARIES

POINT	NORTHING	EASTING
ORP (A)	4856427.20	626479.53
ORP (B)	4856434.53	626582.17

DISTANCES ARE GROUND AND CAN BE CONVERTED TO GRID BY MULTIPLYING BY THE COMBINED SCALE FACTOR OF 0.999752.



R-PE SURVEYING LTD.
ONTARIO LAND SURVEYORS
643 Chrislea Road, Suite 7
Woodbridge, Ontario L4L 8A3
Tel: (416) 635-5000 Fax: (416) 635-5001
Tel: (905) 264-0881 Fax: (905) 264-2099
Website: www.r-pe.ca
DRAWN: V.K.
CHECKED: I.A.A./T.S.
JOB No. 24-248 CAD FILE No.24-248R01

SCHEDULE "X"

1. ADJUSTMENTS

The balance due on the Closing Date after credit of the deposits paid by the Purchaser to the Vendor shall be adjusted on the Closing Date as to the items required by the terms of this Agreement (plus Applicable Taxes) which shall include, without limiting the generality of the foregoing, the following:

- (a) The term "**Subdivision**", as used in this Agreement, means the plan of subdivision registered as Plan 65M-2838. The term "**Project**", as used in this Agreement, means the 14 residential dwellings being marketed for sale by the Vendor within that portion of the Subdivision described as Parts 1 to 47 on Plan 65R-41107. The term "**Subdivider**", as used in this Agreement, means, as the context requires, the party that registered the Subdivision or the party that subdivides the lands within the Project into 14 conveyable lots. The Purchaser agrees to take all necessary steps to assume immediately on Closing, charges for electricity, water, gas and other services, and the Vendor may recover any payments made by the Vendor on account of the Property from the Purchaser. The Purchaser agrees to accept the utility suppliers designated by the Vendor. Subsequent to Closing, if the Purchaser changes any or all of the utility suppliers, the Purchaser shall be responsible for the repair of any damage caused to the Property and neighbouring lands by such alternate utility suppliers and any costs incurred by the Vendor or Subdivider (as defined below) to restore the Property to the original state provided by the Vendor. The Purchaser shall pay, or reimburse the Vendor for any other prepaid or current expense, such as gas, electricity and water expenses; and any expenses, charges or costs paid or incurred by the Vendor or an affiliate or related company to bring, provide, deliver and/or make available services, systems and/or utilities to the Property and/or the Project which may include, without limitation, infrastructure and related construction costs, including, without limitation, any expenses, charges or costs with respect to: roadway construction, sewer relocation works, the construction, connection or reconnection of sewers (storm and sanitary), sewer impost charges, the installation and/or connection of electricity, water and/or gas services (including, without limitation, any energization charges and any deposits required by any utility or service provider), and/or the installation of meters for any of the foregoing and the cost of such meters, notwithstanding that the Purchaser shall not own such meters. If the aforementioned expenses, charges and costs are not assessed against the Property directly, then the Vendor shall be entitled to a reimbursement for the foregoing, as may be apportioned by the Vendor, equally among all of the residential dwellings within the Project or in such other manner as the Vendor may elect;
- (b) Taxes, fuel, water rates, assessment rates and local improvements to be apportioned and adjusted with the Vendor being responsible for all such charges up to the Closing Date with the Purchaser being responsible for all such charges from and including the Closing Date. Where the Vendor has posted security for taxes, made payment for taxes or has been advised by the applicable authority that taxes will be billed to its account for the current year and/or following year, taxes shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained. In the event realty taxes have not been individually apportioned or assessed in respect of this Property and remain en bloc, then notwithstanding that such en bloc taxes may be outstanding and unpaid, the Purchaser covenants to complete this transaction and accept the Vendor's undertaking to pay realty taxes once individually assessed against this Property and agrees to pay on Closing a deposit to be readjusted and to be applied on account of the Purchaser's portion of realty taxes applicable to this Property. Municipal realty tax re-assessment and/or supplementary tax bills relating to the Dwelling (as defined below) constructed on the Property issued subsequent to the Closing shall be the sole responsibility of the Purchaser. Notwithstanding the foregoing, the Vendor shall not be obliged to make any readjustment of the foregoing deposit in the event that such readjustment is equal to or less than \$150.00;
- (c) The transaction levy surcharge imposed upon the Vendor or its solicitors by the Law Society of Ontario plus Applicable Taxes shall be reimbursed to the Vendor on the Closing;
- (d) any enrolment and/or regulatory fees paid by the Vendor for the Property under, pursuant to or as a requirement or prerequisite of any governmental authority and any of the following: the Ontario New Home Warranties Plan Act (the "**Warranty Act**"), New Home Construction Licensing Act, 2017, or by any of the regulators or authorities pursuant to any of the foregoing, including, without limitation, the Tarion Warranty Corporation ("**Tarion**"), and/or the Home Construction Regulatory Authority, plus Applicable Taxes thereon;
- (e) a \$500.00, plus Applicable Taxes, administrative fee shall be charged to the Purchaser for any direct deposit or cheque paid for a deposit or for any upgrades which is not honoured or accepted by the Purchaser's bank for any reason, including, without limitation, a cheque returned N.S.F. or upon which a "stop payment" has been ordered;

- (f) the following shall be paid to the Vendor on the Closing, plus Applicable Taxes exigible thereon: any increase between the development charges and education development charges assessed against or attributable to the Property (pursuant to the Development Charges Act, the Education Act or any successor or replacement legislation) from the date of execution of this Agreement by the Purchaser (if same are paid or could be paid on such date) and the amount actually paid for said development charges and education development charges (irrespective of whether or not the Vendor paid same at first instance), together with any other or new levies, charges, payments, contributions, fees or assessments, including without limitation, any parks levies, cash-in-lieu of parkland dedication payments, new development charges, new education development charges, public art contributions, impost charges, and/or community benefit charges or payments (or the fair value of any non-cash in-kind contributions) assessed against or attributable to the Property by the City of Richmond Hill or the Regional Municipality of York (each, the "**Municipality**", as the context requires), a transit authority, a public or separate school board, a conservation authority or any other authority having jurisdiction under the Development Charges Act, the Education Act, the Planning Act (as amended by the *More Homes, More Choice Act, 2019*) and any other existing or new legislation, bylaw and/or policy of a similar nature, irrespective of whether or not the Vendor paid same at first instance. If any of the aforementioned amounts are not assessed against the Property directly, then the Vendor shall be entitled to a reimbursement for the foregoing, as may be apportioned by the Vendor, equally among all of the residential dwellings within the Subdivision, equally among all of the residential dwellings within the Project or in such other manner as the Vendor may elect in the Vendor's sole, absolute, subjective and unfettered discretion;
- (g) a \$150.00, plus Applicable Taxes, administrative fee shall be charged to the Purchaser for each sum that the Vendor permits to be paid to the Vendor's solicitor on account of the Purchase Price for the Property by wire transfer. All payments by wire transfer shall be made in strict accordance with the provisions of the Vendor's solicitor's wire transfer form, which may be amended by the Vendor's solicitor from time to time. Without derogation from any other right or remedy of the Vendor, if such form is not complied with by the Purchaser or the Purchaser's solicitor, the Purchaser shall pay an additional adjustment of \$150.00, plus Applicable Taxes, as an administrative fee per occurrence;
- (h) if a restriction pursuant to Section 118 of the *Land Titles Act* is registered against title to Property in favour of a municipal authority and the Vendor must cause such restriction to be deleted from title in order to convey the Property to the Purchaser, then the Purchaser shall reimburse any fee paid by the Vendor to the municipal authority to delete said restriction, plus Applicable Taxes, as well as the Vendor's legal fees of \$275.00 plus disbursements and Applicable Taxes in respect of same;
- (i) The Purchaser shall provide a refundable security deposit in the amount of \$5,000.00 on the Closing (the "**Security Deposit**") to secure compliance with the Purchaser's obligations, covenants and responsibilities contained within this Agreement, including without limitation, the Purchaser's covenants with respect to: alterations to the grading of the Property and damage to subdivision services. At the Vendor's option, exercised in the Vendor's sole, absolute, subjective and unfettered discretion, the Vendor and/or the Subdivider shall determine whether the Purchaser has breached its obligations, covenants and responsibilities contained within this Agreement as well as the cost of the repair, rectification and/or replacement of said breach. If a determination of a breach has been made, as aforesaid, then the Vendor will charge the applicable cost thereof to the Purchaser and shall further deduct the cost of such repair, rectification or replacement from the Security Deposit and the Purchaser covenants and agrees to abide by such determination. Should the cost of such repairs, rectification or replacement EXCEED the value of the Security Deposit, then the Vendor shall be entitled to compensation from the Purchaser for the difference between the Security Deposit and such cost and the Purchaser shall pay such shortfall forthwith upon demand by the Vendor. The Security Deposit, (or any balance thereof after applicable deductions, as herein described) shall be released to the Purchaser upon the Purchaser's written request upon LATER OF: (i) the completion of all the Tarion warranty periods for the Property and (ii) 24 months after the Closing Date. Notwithstanding the foregoing, any portion of the Security Deposit otherwise repayable to the Purchaser, as aforesaid, shall be forfeited to the Vendor if the transferee(s) that obtains registered title to the Property on the Closing Date under this Agreement conveys the Property (or any interest therein) to any other party within that time period that is the LATER OF: (i) the completion of all the Tarion warranty periods for the Property and (ii) 24 months after the Closing Date, and the Purchaser shall forever disclaim any right or interest in said forfeited sums;
- (j) In the event the Vendor has undertaken an obligation for esthetic enhancements and/or has paid the Subdivider for esthetic enhancements such as boulevard treatments or improvements, or landscaping (including tree or shrub planting), or entrance features, or privacy fencing, lot-line fencing, chain-link fencing, corner lot fencing (or other fences/fencing), or retaining walls, or driveway enhancements, patio slabs and/or any other

item of a similar nature in the Project and/or in the vicinity thereof, the Purchaser shall, on Closing, reimburse the Vendor as to the cost thereof (or estimated cost thereof, said estimate to be determined by the Vendor in its sole, absolute, subjective and unfettered discretion) for the Property, the cost to be absolutely determined and apportioned by the Vendor, said funds to be capped at no more than \$1,000.00, plus Applicable Taxes. The Purchaser acknowledges and agrees that said sums shall be paid by the Purchaser regardless of whether or not any esthetic enhancements are placed, erected and/or installed prior to Closing or any time thereafter;

- (k) In the event the Vendor has provided the Purchaser with a building or foundation survey, the Purchaser shall pay the Vendor same in the amount of \$500.00, plus Applicable Taxes as an adjustment on Closing;
- (l) If the governing authority requires the Vendor to install an air-conditioning unit for the Dwelling, then the Purchaser shall pay \$6,500.00 plus Applicable Taxes to the Vendor on Closing.
- (m) Any charges, plus Applicable Taxes, paid by the Vendor to the Municipality, other governmental authority or other person (including a private waste contractor) with respect to recycling containers/bins, recycling programs, food/kitchen waste collection containers/bins, and/or food/kitchen waste collection programs such charges to be absolutely determined by statutory declaration sworn on the part of the Vendor shall be reimbursed to the Vendor on the Closing;
- (n) If the Purchaser fails to enter into any necessary contractual arrangements with the relevant public or private utility authorities and suppliers with regards to the provision of water, hydro, gas, cable TV and/or any other service to the Property on or after the Closing Date, the Purchaser shall forthwith upon demand pay to the Vendor all amounts charged to the Vendor after the Closing Date with regards to such utilities and/or services plus the Vendor's administrative fee of \$500.00 plus Applicable Taxes for each month (or part thereof) that the Vendor is charged for said utilities and/or services;
- (o) if requested by the Vendor or the Electricity Provider (as defined below), then the Purchaser agrees to enter into or assume a contract with the provider of electricity and/or the party monitoring consumption of electricity to the Property (the "Electricity Provider"), on the Electricity Provider's form, for the provision and/or metering of electricity services to the Property. The fees, costs and charges (including, without limitation, any rental, security deposit, pre-payment, administration, commodity and non-commodity fees/charges) for such electricity services and/or for monitoring consumption of same shall be adjusted for the month of closing with the Purchaser being responsible for such fees, costs and charges from and after the Closing Date;
- (p) if requested by the Vendor or the Water Provider (as defined below), then the Purchaser agrees to enter into or assume a contract with the provider of water and/or the party monitoring consumption of water to the Property (the "Water Provider"), on the Water Provider's form, for the provision and/or metering of water services to the Property. The fees, costs and charges (including, without limitation, any rental, security deposit, pre-payment, administration, commodity and non-commodity fees/charges) for such water services and/or for monitoring consumption of same shall be adjusted for the month of closing with the Purchaser being responsible for such fees, costs and charges from and after the Closing Date;
- (q) if requested by the Vendor or the Gas Provider (as defined below), then the Purchaser agrees to enter into or assume a contract with the provider of gas and/or the party monitoring consumption of gas to the Property (the "Gas Provider"), on the Gas Provider's form, for the provision and/or metering of gas services to the Property. The fees, costs and charges (including, without limitation, any rental, security deposit, pre-payment, administration, commodity and non-commodity fees/charges) for such gas services and/or for monitoring consumption of same shall be adjusted for the month of closing with the Purchaser being responsible for such fees, costs and charges from and after the Closing Date.

The Purchaser acknowledges and agrees that certain amounts payable by the Purchaser as adjustments under this Agreement may include costs, expenses and sums paid by a company or person other than the Vendor (for example, a company or person affiliated or related to the Vendor, a company or person acting as agent for and on behalf of the Vendor, the Subdivider or by a predecessor in title to the Property and/or by a predecessor in title to the lands upon which the Subdivision and/or Project is situated. Notwithstanding that such costs, expenses and sums were not paid directly by the Vendor itself, as aforesaid, the Purchaser covenants and agrees to pay such amounts as adjustments on the Closing Date in accordance with the herein terms. Further, the Purchaser specifically acknowledges and agrees that certain amounts payable by the Purchaser as adjustments under this Agreement may include costs, expenses and sums paid or payable by the Vendor to the Subdivider as reimbursements, deposits and the like pursuant to agreements

and/or arrangements between the Vendor and the Subdivider.

In the event that the Vendor (or a company or person affiliated or related to the Vendor or a company or person acting as agent for and on behalf of the Vendor) receives any rebate, credit, recovery, adjustment, discount or similar benefit from any party or parties in respect of any item that the Vendor is entitled to charge the Purchaser for in accordance with this Agreement, then the Vendor (or a company or person affiliated or related to the Vendor or a company or person acting as agent for and on behalf of the Vendor) shall be entitled to retain any such rebate, credit, recovery, adjustment, discount or similar benefit for its own use and as its own property absolutely and shall not be obliged to credit or adjust with the Purchaser for any such rebate, credit, recovery, adjustment, discount or similar benefit.

All proper readjustments shall be made after Closing, if necessary, forthwith upon written request. The Vendor may register a Notice of Vendor's Lien or a Charge, in the Vendor's usual form, for unpaid purchase monies or adjustments or claims herein provided together with the interest thereon as provided for herein, and the Purchaser covenants and agrees to forthwith pay all costs in relation to said Notice of Vendor's Lien or Charge including, without limitation, the Vendor's solicitor's legal fees and disbursements and the cost to register said Notice of Vendor's Lien or Charge on title to the Property. The Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Notice of Vendor's Lien or a Discharge of the Charge after such unpaid purchase monies or adjustments or claims herein provided, as applicable, together with the interest thereon as provided for herein have been received by the Vendor and upon payment of a fee of \$250.00 plus Applicable Taxes. The Purchaser hereby irrevocably consents and authorizes the Vendor and the Vendor's solicitors to register the aforementioned Notice of Vendor's Lien or Charge on title to the Property, without liability on the part of the Vendor or the Vendor's solicitors with respect to such registration;

The adjustments described herein which constitute reimbursements by the Purchaser to the Vendor may, at the Vendor's sole, absolute and unfettered discretion, be conclusively established, determined and/or apportioned, by way of certification by the Vendor and/or by way of a consultant retained by the Vendor.

The Purchaser hereby agrees to execute and deliver to the Vendor's solicitors, on or before the Closing Date, any document required by the Vendor or its solicitors confirming that the Purchaser has consented to and authorized the Vendor to act as its agent in the payment of realty taxes and/or other sums with respect to the purchase of the Property (the "**Payments**") (as shown in the statement of adjustments for the herein transaction) and has approved of the Payments made by, or the Payments to be made by, the Vendor to third parties to whom such Payments are payable and owed.

2. DEVELOPMENT MATTERS

- (a) The Vendor, the Subdivider or their servants or agents may, for such period after Closing as is designated by the Subdivider and/or Vendor, enter upon the Property at all reasonable hours to enable completion or correction of sodding, fencing, corner lot screens or fences, aesthetic enhancement features, to inspect, repair, complete or rectify construction, grade and undertake modifications to the surface drainage, including installation of catch basins, without liability therefor, and the Transfer/Deed may contain such provisions.
- (b) The Purchaser will not alter the grading of the Property contrary to the municipally approved drainage pattern, and provided that lot grading has been completed in accordance with the municipally approved drainage and/or grading control plan, the Purchaser is estopped both from objecting thereto and from requiring any amendments thereto. If the Vendor has not undertaken to pave or finish the driveway pursuant to this Agreement, the Purchaser shall not pave or finish the driveway without the prior written consent of the Vendor and the prior written consent of the Subdivider and the Municipality, if required by the subdivision agreement(s) or other development, site plan or similar agreements with respect to the Subdivision and/or the Property (the "**Development Agreements**"). Following such approval and prior to completing the driveway, the Purchaser shall notify the Vendor in writing so that water keys/boxes can be located and raised, if necessary. The Purchaser covenants and agrees not to damage or alter any subdivision service, and shall be liable for the cost of rectification of any such damage or alteration, and in the event same is not paid upon demand, the Vendor shall have the right to register a lien on title to secure such payment. The Purchaser agrees that neither the Purchaser(s) nor their successors or assigns shall construct or install a swimming pool, hot tub, underground sprinkler system, fencing, decking, curbs, retaining walls, landscape rocks, trees, shrubs, gazebos or other structures, nor shall the Purchaser alter or widen the driveway upon the Property until after the Vendor has obtained acceptance of lot grading from the Municipality and the Subdivider and after the Purchaser has made due application for (if applicable) any permits required for such work by the Municipality or any other authority with jurisdiction. The Purchaser agrees to remove such additions and/or improvements at its own cost upon the Vendor's request, failing which the Vendor may remove same at the Purchaser's expense. Any changes to the grading in contravention of the foregoing by the Purchaser shall result in the forfeiture of the Security Deposit and the Purchaser shall reimburse the Vendor for any costs over and above the Security Deposit resulting from the Purchaser's contravention of

the foregoing.

- (c) The Purchaser acknowledges that construction of the Dwelling may be subject to the requirements of the architect appointed by the Subdivider (the "**Subdivider's Architect**") and the Purchaser agrees to accept the Property subject to any changes, variations or restrictions now or hereafter imposed by the Subdivider or Subdivider's Architect.
- (d) The Purchaser acknowledges that the dimensions, specifications, layouts and sizes of the Property set out in this Agreement or on any schedule attached hereto or shown on any drawings, brochures, renderings or plans made available to the Purchaser on site or otherwise are approximate only and are subject to change without notice. In the event the dimensions, specifications, layouts and sizes (including without limitation, the frontage, depth or area of the Property) are varied from those specified in the Agreement, or on any schedule attached hereto or shown on drawings, brochures, renderings or plans made available to the Purchaser on site or otherwise, as aforesaid, or any or all of the foregoing and provided the Property complies with municipal and other governmental requirements including zoning by-laws, the Purchaser agrees to accept all such variations without claim for abatement in the Purchase Price and this Agreement shall be read with all amendments required thereby. In addition to the foregoing, if minor variations to the size of the Dwelling including internal dimensions of any areas are made to the Dwelling the Purchaser shall accept such minor variations without any abatement to the Purchase Price. The Purchaser acknowledges that the Dwelling is a model type, and may not match the floor plans and elevations specified in the Agreement, or on any schedule attached hereto or shown on drawings, brochures, renderings or plans made available to the Purchaser on site or otherwise. In addition to and notwithstanding anything herein, the following alterations and adjustments may be made by the Vendor to the lot and model type selected by the Purchaser for any reason, and shall be deemed for all purposes to be minor or adjustable, and the Purchaser shall accept the dwelling constructed on the Property with any or all of the following changes without compensation: (a) a change in the front elevation of the Property that results in an increase or decrease in the number of steps to the front door and any change to the grading which affects or alters the steps and entry to the dwelling from the front door to the lot line of the Property; (b) the deletion or addition or relocation of any and all entry doors to the garage; (c) the relocation or the raising or lowering of the elevation of any other entry doors into the dwelling or the elevation of the laundry area; (d) the addition or deletion of steps into any and all of the rear yard, the side yard and the garage; (e) the installation of a threshold dividing rooms or living areas required by differences in surface elevations or floor materials; (f) the substitution of a door for a patio door, or a patio door for a door, (g) the substitution of a door or patio door for a window, or a window for a door or patio door; (h) the construction of the dwelling reversed to the layout shown on the model floor plans; (i) any other substitution by the Vendor permitted under this Agreement; or changes in the location in the basement of the furnace, the water tank, or other services; (k) a reduction in the area of the dwelling within the tolerances permitted by the Tarrion requirements; (l) any changes imposed by the Municipality or the architectural control architect, either before or after approval of the plans by either or both; (m) any other change that does not reduce the market value of the property as of the Closing Date; and/or (n) any other change that the Vendor's architect and/or technologist in his unfettered discretion considers minor, and the statutory declaration of the architect and/or technologist or his employee in charge of the Subdivision and/or Project shall be deemed to be conclusive and binding on the Purchaser. If the Vendor makes any other change that is not deemed minor or adjustable without compensation, the Purchaser's sole remedy shall be to complete the Closing and make a claim for compensation, measured by the reduction to the market value of the Property as of the Closing Date.
- (e) All exterior elevations and colours are architecturally controlled and approved. No changes whatsoever will be permitted to the aforementioned without the prior approval of the Municipality, and the Purchaser hereby acknowledges notice of same and agrees to accept the exterior elevation and colour scheme as architecturally controlled and approved. Any changes to the aforementioned by the Purchaser shall result in the forfeiture of the Security Deposit and the Purchaser shall reimburse the Vendor for any costs over and above said deposits resulting from the aforementioned Purchaser's changes and any obligation imposed upon the Vendor by any authority with jurisdiction to restore such architecturally controlled and approved colours and/or finishes.
- (f) The Purchaser acknowledges and agrees that in the event the Dwelling being purchased herein is a semi-detached or townhouse dwelling unit, the lot or block upon which such dwelling unit is constructed will not necessarily be divided equally but may instead be divided in unequal proportions. The Purchaser agrees to accept any such unequal division of such lot or block without any abatement of the Purchase Price or claim for compensation whatsoever.
- (g) Esthetic enhancements such as boulevard treatments, landscaping (including tree planting), entrance features, or corner lot fencing, or fences or retaining walls may be

erected/placed/installed within the Subdivision in accordance with municipally approved plans. Such esthetic enhancements may not necessarily apply to/benefit all dwellings within the Subdivision. The erection/placement/installation and/or spacing of esthetic enhancements such as municipal trees and/or privacy fencing may be sporadic in accordance with municipally approved plans and the overall design objectives of the Municipality, the Vendor and/or the Subdivider. Purchasers who do not receive/benefit from any esthetic enhancements such as a municipal tree or privacy fencing are not entitled to any refund/abatement of any sums payable to the Vendor hereunder. In the event this Agreement, any schedule hereto or other matter obligates the Vendor and/or Subdivider to install or provide any of the features set out herein, such matters will be provided and installed at the times determined by the Vendor and/or Subdivider and shall not comprise outstanding deficiencies or matters with respect to the completion of the Dwelling, and the Purchaser specifically acknowledges, covenants and agrees that any such features shall be installed at the times determined by the Vendor and/or Subdivider in its or their sole, absolute, subjective and unfettered discretion.

3. CONSTRUCTION

- (a) The Vendor will construct (if not already constructed) and complete upon the Property a dwelling (the "**Dwelling**") of the type hereinbefore indicated in accordance with the plans of the Vendor therefore and filed or to be filed with the Municipality in order to obtain a building permit and the specifications set out in Schedule "B" annexed hereto. The Dwelling shall be deemed to be completed for the purposes of Closing when the requirements of the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale have been met and the Purchaser agrees in such case to close this transaction, without holdback of any part of the Purchase Price, on the Vendor's undertaking given pursuant to section headed "COMPLETION AND ONTARIO NEW HOME WARRANTIES INSPECTION" hereof to complete the Dwelling, and the Purchaser hereby agrees to accept the Vendor's covenant of indemnity regarding lien claims which are the responsibility of the Vendor, its trades and/or suppliers, in full satisfaction of the Purchaser's rights under the Construction Act, and will not claim any lien holdback on Closing. If by reason of "Unavoidable Delay" as defined in or as otherwise permitted by the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale the Vendor is required to extend the Closing, the Vendor shall be entitled to extend the Closing provided the Vendor complies with the provisions of the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale in respect of such extensions. The Dwelling shall be deemed to be completed when all interior work has been substantially completed as determined by the Vendor and provided that the provisions of paragraph 9 of the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale attached hereto have been complied with. The Purchaser agrees to complete this transaction notwithstanding any claims submitted to the Vendor and/or Taron or otherwise in respect of apparent deficiencies or incomplete work.
- (b) Acceptance of construction, siting and grading by the Municipality shall conclusively constitute acceptance by the Purchaser. The Vendor shall have the right to substitute materials for those designated in the plans and/or specifications provided the quality is equal or better, and also to make minor changes in plans, siting and specifications, provided there is no objection from the Municipality.
- (c) The Purchaser acknowledges and agrees that architectural control of external elevations, driveway construction, boulevard tree planting, landscaping, acoustical barriers, corner lot fencing (including the location of such acoustical barriers and corner lot fencing), exterior colour schemes, corner lot and rear lot treatments, or any other matter external to the Dwelling designed to enhance the aesthetics of the community as a whole, may be imposed by the Municipality and/or the Subdivider. In the event the Vendor is required, in compliance with such architectural control requirements, to construct an external elevation for this Dwelling other than as specified in this Agreement, or amend the driveway construction, boulevard tree planting or landscaping plan for this Dwelling (all of which is hereinafter referred to as the "**Amended Elevation**"), the Purchaser hereby irrevocably authorizes the Vendor to complete the Dwelling herein including the required Amended Elevation, and the Purchaser hereby irrevocably agrees to accept such Amended Elevation in lieu of the elevation specified in this Agreement. The Vendor shall have the right, in its sole, absolute, subjective and unfettered discretion, to construct the hereinbefore described Dwelling either as shown on the sales brochures, renderings and other plans and specifications approved by the Municipality or any other authority having jurisdiction over same, or, to construct such Dwelling on a reverse mirror image plan, including reversal of garage siting and reversal of interior floor plan layout. Construction of a reverse mirror image Dwelling plan is hereby irrevocably accepted by the Purchaser without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligations as to construction of the Dwelling type hereinbefore described. Further, in the event the Vendor constructs the Dwelling at a grade level different than as depicted in the plans or drawings attached hereto, sales brochures, renderings or any other plans and specifications whether or not approved by the Municipality or any other authority having jurisdiction over same, necessitating a step,

landing or series of steps to the front door, side door, rear door, any door from any garage that is connected to the Dwelling and leading to the interior of the Dwelling (notwithstanding that such step, landing or series of steps may encroach into the garage parking area and/or affect the interior floor area of the Dwelling adjacent to such step, landing or series of steps), or to relocate and/or remove any side door, rear door or door from the garage that is connected to the Dwelling and leading to the interior of the Dwelling, the Purchaser hereby irrevocably agrees to accept such changes without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligation as to construction of the Dwelling type hereinbefore described.

- (d) The Purchaser hereby acknowledges that complete engineering data in respect of the Municipally approved final grading of the Property may not, as yet, be complete and accordingly, it may not be possible to construct a Dwelling with a walk-out basement, look-out or rear deck where so indicated in this Agreement, or vice versa. In the event this Agreement calls for a walk-out basement, look-out or rear deck and such is not possible or reasonable in the Vendor's opinion or in the event this Agreement does not call for a walk-out basement, look-out or rear deck and such is required, pursuant to final approved grading and engineering plans, the Purchaser shall accept a credit in the Purchase Price (such credit to be absolutely determined by the Vendor in its sole and unfettered discretion), or, pay the additional cost involved in constructing such walk-out basement, look-out or rear deck, as the case may be (such costs shall be absolutely determined by the Vendor in its sole and unfettered discretion).
- (e) The Purchaser acknowledges that certain lots within the Project may, at the Vendor's and/or Subdivider's sole, absolute, subjective and unfettered discretion, contain catch basins and associated leads, swales, drainage systems, weeping pipe/sump pump systems, retaining walls, fencing, landscaping, feature walls or community features or other features, infrastructure or services, and the Purchaser covenants and agrees that in the event the Property contains any of the foregoing items, the Purchaser shall maintain all such items in proper working condition after Closing. Additionally the Purchaser is advised that community mailboxes, electricity transformers, gas mains, water mains, street light poles, wayfinding signage, fire hydrants, street furniture, telephone service equipment, cable television service equipment, data service provider equipment, catch basins and associated leads, drainage systems, weeping pipe/sump pump systems, retaining walls, fencing, landscaping and other project enhancement features, and all equipment and utility infrastructure of any of the foregoing utility services and any other equipment and utility services providing service to the Project or the Subdivision, which services or utility infrastructure may include above-grade equipment and any safety equipment relating to same such as concrete bollards, may front onto, flank or be visible from the Property or be located within certain lots (including the Property) within the Project or the Subdivision as a whole. The Purchaser agrees to accept the Property subject to any of the foregoing and the Purchaser shall not be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence of the foregoing nor shall the Purchaser have any claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) with regards to/pertaining to/arising from the foregoing.
- (f) In the event the Purchaser completes this transaction and occupies the Dwelling at a time prior to the Vendor and/or Subdivider completing all of their work or construction within the Project and/or the Subdivision, the Purchaser covenants and agrees to permit the Vendor and/or the Subdivider and any of their agents and subtrades to enter upon the Property for the purposes of completing work on the Property, an adjoining property or other properties in the Project and/or Subdivision and the Purchaser shall not interfere with any work or construction being so performed by the Vendor, the Subdivider and their agents and subtrades. The Purchaser agrees that this covenant may be pleaded by the Vendor as an estoppel to any action or opposition by the Purchaser.
- (g) The Purchaser covenants and agrees that the Purchaser shall pay to the Vendor for all extras, upgrades or changes ordered by the Purchaser in accordance with the terms of any documents/agreements pertaining to the purchase of said extras, upgrades or changes and the Purchaser further acknowledges and agrees that such payment is non-refundable in the event that this transaction is not completed as a result of any default hereunder of the Purchaser. Notwithstanding anything herein contained to the contrary, the Purchaser acknowledges and agrees that if, upon Closing, any of the extras, upgrades or changes ordered by the Purchaser remain incomplete in whole or in part or if the Vendor shall, in its sole, absolute, subjective and unfettered discretion, determine that it will not provide extras, upgrades or changes or cannot complete the extras, upgrades or changes then there shall be refunded or credited to the Purchaser that portion of the amount paid by the Purchaser in connection with such extras, upgrades or changes allocated to those extras, upgrades or changes which remain incomplete in whole or in part as aforesaid, as determined by the Vendor. The Purchaser further acknowledges and agrees that the amount so paid to the Purchaser (or for which, in the alternative, in the Vendor's discretion, the Purchaser received

credit in the Statement of Adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be released from any and all obligation, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes. In the event the Purchaser neglects to advise the Vendor forthwith upon request as to the Purchaser's selection of finishing specifications, or orders any extras, upgrades in interior finishings, or performs any work in or about the Dwelling which causes delay in the Vendor's construction operations, the Vendor may require the Purchaser to complete this transaction on the Closing herein set out without holdback of any part of the Purchase Price, on the Vendor's undertaking to complete any of the Vendor's outstanding work.

- (h) The Vendor is not responsible for shade difference occurring in the manufacture of items such as, but not limited to, finishing materials or products such as carpet, floor tiles, roof shingles, brick, cement board, aluminum or vinyl siding, bath tubs, water closets, sinks, stone, stucco and other such products where the product manufacturer establishes the standard for such finishes. The Vendor is also not responsible for colour variations or variations in material characteristics or features such as veining, grain or grain direction, knotting etc. in natural products or the finishes on natural products such as but not limited to marble, granite, hardwood flooring, kitchen cabinets, wood stair railings, spindles, trim, nosings, thresholds as well as stains or finishes applied to any of the aforesaid which colours may vary when finishes are applied to them. Nor shall the Vendor be responsible for shade difference in colour of components manufactured from different materials but which components are designed to be assembled into either one product or installed in conjunction with another product such as but not limited to toilet seats, toilets, bathtubs, cabinet finishes and paint and in these circumstances the product as manufactured shall be accepted by the Purchaser. Purchaser acknowledges and agrees that (i) carpeting may be seamed in certain circumstances and said seams may be visible; (ii) hardwood, laminate or other flooring materials may react to normal fluctuating humidity levels contributing to shrinkage and gapping or expansion and cupping, and (iii) there may be different levels of flooring which may require transition strips, nosings or thresholds, and the Purchaser agrees that in any of the forgoing eventualities are considered to be acceptable by industry standards and the Purchaser shall make no claim whatsoever against the Vendor in the event of same.
- (i) All dimensions, specifications and elevation renderings on sales brochures and other sales aides are artists' concepts only and are approximate and subject to modification without prior notice at the sole, absolute, subjective and unfettered discretion of the Vendor in compliance with the Ontario Building Code. The designation of door swings, including entrance doors and doors from any garage connected to the Dwelling and leading to the interior of the Dwelling, if any, in any schedules attached hereto or sales brochures and other sales aides are conceptual only and are subject to modification without prior notice at the sole, absolute, subjective and unfettered discretion of the Vendor. The Purchaser acknowledges and agrees that attic hatches or access points may be located within any location determined by the Vendor in its sole, absolute, subjective and unfettered discretion, including without limitation, within any hallway, room, closet or interior wall. The location of mechanical installations may not be as shown (or not shown, as the case may be) on sales documentation and will be located in accordance with approved plans and/or good construction practice and may result in room size or garage size reduction caused by the mechanicals being installed. The Purchaser hereby acknowledges being advised by the Vendor that the Vendor has experienced a high rate of theft of air-conditioning units when they are installed prior to the Closing. Accordingly, the Purchaser acknowledges that if the Agreement herein calls for the Vendor to install an air-conditioning unit, the Vendor has the right to install that unit, in accordance with the Agreement, within 7 days after the Closing, weather permitting. The Purchaser shall not be entitled to any holdback on account of the Purchase Price notwithstanding that the air-conditioning unit is not installed at the Closing. Notwithstanding the foregoing, in the event that the Purchaser requires the air-conditioning unit to be installed prior to the Closing, the Purchaser shall make written request therefor, such request to be received not later than 30 days prior to the Closing by way of separate written request addressed to the Vendor's solicitor and the Purchaser acknowledges that the Purchaser shall assume all liability for the air-conditioning unit in the event that it is stolen after its installation prior to the Closing and the Vendor shall not be obliged to replace same nor shall there be any adjustment in the Purchase Price with respect thereto.
- (j) In the case of the purchase of a townhome by the Purchaser (if applicable) the Purchaser acknowledges that: the concept plans displayed in the sales office and/or in promotional brochures or media (including any websites), do not necessarily represent any specific block to be built by the Vendor; the Vendor has not artistically rendered all block scenarios

and combinations of model types available; final block plans will feature similar but not necessarily identical architectural details; variances from block to block will reflect, amongst other things, the number of units in respective blocks, final siting combinations of actual model types within respective blocks, roof designs that evolve in conjunction with the combination of various model types constituting specific blocks, unit stepping due to grading within respective blocks and the location of required partywalls and firewalls (if applicable) per respective block plan.

- (k) Where any portion of any fence is within 4 feet of the Property line, such fence shall be deemed not to be an encroachment at that point and the Purchaser agrees to accept title to the Property and to complete the sale contemplated herein, without abatement of the Purchase Price. Despite anything hereinbefore set out, the whole of any fence erected by any governmental authority, utility or railway or pursuant to any Development Agreements shall be deemed to be a permitted encroachment and the Purchaser agrees to maintain all such fencing to the satisfaction of the appropriate authority.
- (l) Where a dwelling type has a sunken foyer, landing or hallway leading to a front porch (at the front door entry), the ceiling area below the porch slab and other relevant areas will be reduced and this height may vary up or down, caused by the number of risers from the main floor to the dropped landing, as per applicable plan. Notwithstanding that the sales aids, such as brochure plans or sketches may refer to these areas as cold rooms, storage areas, cantinas or fruit cellars, they shall be treated and referred to as crawl space, notwithstanding that the Purchaser may be desirous of using this space for other purposes. The Purchaser hereby acknowledges these facts and accepts the Dwelling as built and will make no claims whatsoever relevant thereto. Furthermore, any reference to ceiling heights in this Agreement, the schedules attached hereto or in sales material, if any, shall mean the approximate height and such heights will be reduced by sound attenuation features, finishes of floors and ceilings and installations such as bulkheads, etc.. Ceiling and walls may be modified to accommodate mechanical systems.
- (m) In the event that the Dwelling includes stucco, hardie board and/or other non-brick cladding to be installed on the exterior of the Dwelling, the Purchaser acknowledges that there may be a variance or unevenness of up to one-half of an inch (1/2") in a ten foot (10') span, which the Purchaser agrees to accept, without objection or claim for compensation. In the event that the Dwelling includes stucco, hardie board and/or other non-brick cladding to be installed on the exterior of the Dwelling, the Purchaser acknowledges that there may be variance in the colour of such stucco, hardie board and/or other non-brick cladding and that the Vendor shall choose, in its sole, absolute, subjective and unfettered discretion, the texture of stucco, hardie board and/or other non-brick cladding, and the Purchaser agrees to accept same without objection or claim for compensation.
- (n) The Purchaser acknowledges and agrees that drainage holes may be required, as determined and where required by the Vendor, on all or any of the exterior finishing and/or cladding of the Dwelling.
- (o) The Purchaser covenants and agrees that the Purchaser will exhaust all the remedies available to him with Tarrion with respect to any claim relating to defects in workmanship or materials or with respect to any other claim arising under the Warranty Act or in respect of the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale annexed hereto, 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 subsection, or takes any unwarranted or unreasonable actions with respect to such claims, the Purchaser shall be held liable for any damages or costs (legal or otherwise) sustained by the Vendor as a result thereof.
- (p) Notwithstanding anything contained in this Agreement it is understood and agreed by the parties hereto that in the event that the Vendor cannot complete the herein 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 the delayed closing compensation set out in the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale.
- (q) 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 the Purchaser is in law responsible to any services installed within the Subdivision, which service 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 or Charge against the Property.

- (r) The Purchaser acknowledges and agrees that the Vendor may insert or add any items, including without limitation, windows, columns, conduits, beams, posts and/or bulkheads within the Dwelling and/or remove, change, delete, vary, alter or modify the number, size and location of any of the foregoing items from the number, size and/or location of same as displayed or illustrated in the sketch of the Dwelling attached hereto as Schedule "B" or any promotional material or information which may include, without limitation, sales brochure(s), model(s), rendering(s), vignette(s) and/or floor plan(s) previously delivered or shown to the Purchaser or to the public (regardless of the extent or impact thereof).
- (s) The Purchaser covenants and agrees that the Purchaser is a "home buyer" within the meaning of the *Construction Act* of Ontario, as may be amended, and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of Purchase Price on the Closing Date.
- (t) Note: Actual usable floor space may vary from the stated floor area.
- (u) The Purchaser shall place his own insurance on the Property for Closing.

4. RENTAL EQUIPMENT

Unless expressly provided in this Agreement, the hot water heater and any other equipment or included in any schedule attached hereto as rental equipment (the "Equipment") for the Dwelling, if any, is not included in the Purchase Price and shall remain chattel property. The Purchaser acknowledges that (i) the Equipment may be non-owned (ii) the terms governing the lease/rental for the Equipment will be provided by the Vendor prior to closing and the Purchaser may be required to execute a lease/rental document containing the terms prior to closing; and (iii) the terms of the lease/rental may contain a buy-out option allowing the Purchaser to purchase the Equipment if desired. If any provider of the Equipment no longer rents the Equipment and if arrangements are not made with another supplier for the installation of the Equipment on a rental basis, then notwithstanding anything to the contrary in this Agreement, the Purchaser shall pay, as an adjustment on closing, the cost of the Equipment, such cost to be determined by the Vendor. The Purchaser acknowledges and agrees that it shall only utilize the hot water heater supplied by the Vendor within and upon the Property and the Purchaser is prohibited from installing or utilizing any other hot water heater/tank, without the Vendor's prior written consent. A sample of the lease/rental agreement that the Purchaser shall be required to execute is appended hereto, although the terms of such agreement may be amended from time to time and the Vendor reserves the right to provide a different lease/rental agreement to the Purchaser for execution thereof.

5. COMPLETION AND ONTARIO NEW HOME WARRANTIES INSPECTION

- (a) The Purchaser or its designate shall inspect the Dwelling (such inspection hereinafter referred to as the "PDI") immediately prior to the Closing Date with a representative of the Vendor at a time appointed by the Vendor and the parties shall indicate on the face of the Warranty Act's Certificate of Completion and Possession and Warranty Certificate (the "Certificate"), the approval of the Purchaser, which shall be subject only to the completion of seasonal work, and any items of a similar nature uncompleted, and listed thereon, and save as to such list the Purchaser shall be conclusively deemed to have accepted the Dwelling as complete in accordance with this Agreement. The Purchaser covenants and agrees that on or before the PDI, the Purchaser has accessed the online Learning Hub and reviewed the relevant materials, including any modules, brochures and/or other materials, on the Tarion website. The Vendor will complete all matters set out in the said Certificate as soon as reasonably practicable. Further, the Vendor agrees to rectify any defects in materials or workmanship covered by the Warranty Act's warranty issued to the Purchaser as soon as reasonably practicable after the same will have been called to the Vendor's attention by notice in writing and in accordance with the guidelines of Tarion. The Purchaser shall provide the Vendor with written notice, at least 5 days prior to the date appointed by the Vendor for the PDI, irrevocably appointing the Purchaser's designate, if any. The Purchaser acknowledges and agrees that no more than 2 persons (inclusive of the Purchaser and/or its designate) shall be entitled to conduct the PDI alongside the applicable representatives of the Vendor.
- (b) The completion of the foregoing inspection and the preparation and endorsement of the Certificate are conditions of the Vendor's obligation to complete this transaction. Failure by the Purchaser to attend at the appointed time for the inspection and to complete the Certificate shall be deemed to be a default by the Purchaser under this Agreement. The Vendor, at its sole, absolute, subjective and unfettered option, may thereupon either re-schedule the inspection subject to an administrative fee of \$500.00 plus Applicable Taxes payable to the Vendor or terminate the transaction in accordance with the provisions set out herein, or may elect to complete the Certificate on behalf of the Purchaser. The Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as the Purchaser's lawful attorney in the Purchaser's name, place and stead for this purpose.

- (c) The Purchaser agrees to forthwith upon request do all acts and execute and deliver all documents, both before and after Closing, as may be required by the Vendor, the Municipality, the Subdivider and/or other governmental authority in connection with the acceptance of the Subdivision as a whole by the Municipality (if same has not yet been assumed).
- (d) Keys will be released to the Purchaser at a location determined by the Vendor (which may be the construction site, the Vendor's sales office, the head office of the Vendor, a lock-box at the Property, or at any other location determined by the Vendor, as the Vendor in its absolute discretion determines), unless otherwise specifically agreed in writing between the Vendor and the Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by five o'clock (5:00) p.m. on that day, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario).

6. PURCHASER'S RESPONSIBILITY AFTER POSSESSION

From and after the date of possession of the Property by the Purchaser, the Purchaser shall be responsible for realty taxes, water, electricity, gas and other public or private utilities.

7. TITLE

- (a) Provided the title is good and free from all encumbrances except as herein provided, and except as to building and other restrictions, and to any easement or right-of-way granted or to be granted for installation and/or maintenance of services, telecommunication, cable television systems, and all related or appurtenant equipment, mutual driveways, and for maintenance and repair of adjoining dwellings, if applicable. Furthermore, title to the Property may be subject to encroachments by portions of the buildings located on abutting lands, including eaves, eavestroughing, downpipes, or other attachments to the roofs, footings, drainage pipes, utility meters and other projections of the buildings, and the Purchaser further acknowledges that portions of the Dwelling may encroach onto abutting lands where the right to do so exists. The Purchaser accepts legal access to the subject Property even though it may be restricted by 0.3 metre reserves owned by the Municipality and not yet dedicated as public highway. The Purchaser is not to call for the production of any title deeds, abstract or other evidence of title except as are in the possession of the Vendor. The Purchaser is to be allowed 60 days prior to the Closing, to examine the title at the Purchaser's own expense and if, within that time, any valid objection to title is made in writing to the Vendor which the Vendor shall be unable or unwilling to remove and which the Purchaser will not waive this Agreement shall, notwithstanding any intermediate act or negotiations be void and the deposit monies shall be returned, with interest, and the Vendor and the Broker shall not be liable for any damages or costs whatsoever. Save as to any valid objection so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Property. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's solicitors and that the same shall constitute satisfactory manner of responding to the Purchaser's requisitions. Further, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned.
- (b) The Purchaser agrees to accept the Property subject to Municipal regulations and restrictions now or hereafter affecting the ownership or use of the Property and the Purchaser shall observe and comply with the said regulations and restrictions and with the terms and obligations imposed by the Development Agreements. The Purchaser agrees to accept title to the Property subject to any easements or licences for the installation of the maintenance of public or other utilities including, without limitation, telephone, electricity, gas, sewer, sump pumps, water and cable television, as well as any rights or easements reserved by the Vendor and/or granted in favour of other lands for maintenance purposes, drainage and roof overhangs, downpipes, footings, drainage pipes, sump pumps, utility meters and other projections of the Dwelling, if necessary on or about the Property. The Purchaser shall also accept title to the Property subject to any rights of entry in favour of the Subdivider, the Vendor, the Municipality or any other utility/service provider or public or private governmental authority. The Purchaser shall execute any easements required for the said purposes upon being requested by the Vendor both before or after Closing. The Purchaser acknowledges that the Deed or Transfer of the Property may reserve such rights and easements. In the event the Vendor, the Subdivider, the Municipality or any other governmental authority requires the granting of maintenance and/or private drainage

easements which have not been created on or before Closing, the Purchaser shall execute and deliver to the Vendor on Closing an Acknowledgement and Direction authorizing and directing the Vendor to register after Closing any such easements on behalf of the Purchaser. The Purchaser agrees to accept title to the Property subject to any easements, rights of way, licenses, agreements with the Municipality and/or other governmental authority having jurisdiction with respect to future services to be installed, or any other purpose.

- (c) In the event the Property abuts land owned by any government, utility, or railway such authority may require fences, entrance gates or other structures to be located within the Property line and the Purchaser agrees to accept same and agrees to maintain same, if required by such authority.
- (d) In the event that the Vendor is not the registered owner of the Property, the Purchaser agrees to accept a conveyance of title from the registered owner in lieu of the Vendor's. If conveyance of title is from the registered owner in lieu of the Vendor, the Purchaser acknowledges and agrees that the consideration shown on the transfer of title is the consideration paid by the Purchaser to the Vendor and not to such registered owner, and that such registered owner has no contractual or other obligation or liability whatsoever to the Purchaser. Further, the Purchaser hereby releases the registered owner from all obligation, liability and responsibility whatsoever arising out of or associated with the construction of the Dwelling and installation of all other improvements within the lot boundaries, and the Purchaser agrees to execute and deliver on Closing a separate acknowledgment and release in favour of the registered owner to this effect, if required by the Vendor.
- (e) In the event any mortgages are outstanding on Closing the discharge of which is the Vendor's obligation, the Purchaser agrees to accept the Vendor's solicitor's undertaking to obtain and register the discharge of the same within a reasonable period of time after Closing in full satisfaction of the Vendor's obligation in that regard.
- (f) If the lot number or municipal address of the Property is changed, the Purchaser agrees to accept such variation in lot number and municipal address and this Agreement shall be read with all amendments required thereby.
- (g) The Purchaser agrees to accept title to the Property subject to any Certificates of Property Use, Notice of Requirement or other notices or directives of any governmental authority, including, without limitation the Ministry of the Environment, provided that the Vendor or the Property, as the case may be, is in compliance thereof.
- (h) The Purchaser agrees to accept title to the Property subject to any limiting distance agreement and/or limiting distance easement with the owner of any neighbouring properties and any municipal authorities and the Purchaser further agrees to execute any assumption agreements with respect to any limiting distance agreement and/or limiting distance easement.
- (i) The Purchaser covenants and agrees that it shall not, and that it is not permitted, to: (i) direct title or the right of occupancy to any other parties; (ii) add any additional parties to title or the right of occupancy; or (iii) direct or re-direct title to only some of the parties which comprise the Purchaser. The sole purpose of any title direction contemplated herein or in any closing documents shall be for the purposes of confirming the full name(s), date(s) of birth, address for service, social insurance number(s) and such other information as the Vendor may require.
- (j) The Purchaser shall provide the name, address, telephone number and email address of its solicitor to the Vendor not later than the 30th day following the execution of this Agreement. Failure to provide same shall constitute a default pursuant to the terms of this Agreement. If the Purchaser does not provide such information when required hereunder, changes solicitors, or the Purchaser or its solicitor (i) fail to provide any required information; (ii) change or amend any of the information provided, including title information required for engrossing the transfer to the Property as required by the preceding paragraph or in respect of the Rebate; or (iii) provide information to the Vendor or its solicitors that is incorrect or amended for any reason, the Purchaser shall be charged a fee as determined by the Vendor plus Applicable Taxes on the Statement of Adjustments.
- (k) The Purchaser covenants and agrees to provide through its solicitor to the Vendor's solicitor, at least 60 days prior to the Closing Date, all information required by the Vendor with respect to or evidencing the Purchaser's entitlement to the Rebate (as defined herein). Such information shall include, without limitation, (i) confirmation of which of the parties comprising the Purchaser will be occupying the Property if there is more than 1 party comprising the Purchaser; (ii) if there is more than 1 party comprising the Purchaser, the relationship between the parties; (iii) whether any other person(s) will be occupying the

Property together with the Purchaser, including their name(s) and date(s) of birth; and (iv) if the person(s) occupying the Property together with the Purchaser are not the spouse or child of the Purchaser, and the Vendor consents to same, copies of valid identification for such persons (such as a driver's license or passport) acceptable to the Vendor in its sole, absolute, subjective and unfettered discretion. If the Purchaser does not provide the foregoing information at least 60 days prior to the Closing Date, or if the Purchaser provides information upon which the Vendor determines that it will not permit the Purchaser to claim and assign the Rebate to the Vendor as part of this transaction, then the Vendor shall prepare all adjustments and closing documents on the basis that the Purchaser will not be claiming and assigning the Rebate to the Vendor as part of this transaction and the amount of the Rebate shall be added to the statement of adjustments and paid by the Purchaser on the Closing Date in addition to the Purchase Price. The Purchaser acknowledges, covenants and agrees that no changes to the information required to be provided herein shall be permitted following the day that is 60 days prior to the Closing Date. In addition, once the Purchaser has provided the information required to be provided herein and there are any changes to same, such changes to the information shall entitle the Vendor to elect not to permit the Purchaser to claim and assign the Rebate to the Vendor as part of this transaction. If the Purchaser is prohibited from claiming the Rebate and assigning same to the Vendor as part of this transaction or does not do so for any other reason, or the determination of the Vendor in its sole, absolute, subjective and unfettered discretion is that the Purchaser is not entitled to claim the Rebate, then the Purchaser shall retain the option of pursuing the Rebate or any other similar or related rebates directly from the Canada Revenue Agency following the Closing Date.

8. DEVELOPMENT AGREEMENT REQUIREMENTS

- (a) The Purchaser acknowledges and agrees that title may on Closing be subject to one or more Development Agreements. The Purchaser agrees that the Vendor shall not be obligated on Closing or thereafter to obtain releases of such Development Agreements.
- (b) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor, a Related Entity and/or the Subdivider may apply for official plan amendment(s), rezoning application(s), severance application(s), minor variance application(s) and/or site plan application(s), or any other applications ancillary thereto relating to blocks or lots not purchased hereunder as laid down by the plan(s) of subdivision with respect to the Subdivision or with regard to the lands adjacent to or near the lands laid down by the plan(s) of subdivision, and the Purchaser, the Purchaser's successors and assigns, shall consent to any such applications and the Purchaser agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such applications. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Property and to assign the benefit of such covenant to the Vendor.
- (c) The Purchaser agrees that the relevant governing authorities and/or the Development Agreements may require the Vendor to provide the Purchaser with certain notices ("**Notices**"), including, without limitation, notices regarding land usage, landscaping, maintenance of fencing, school transportation, noise and vibration warning resulting from existing or proposed highways and public transportation systems or corridors, railways, garbage, buffers, school pick-up, transit routes, bus-stops and/or shelter locations, in some instances the absence of door-to-door mail delivery, the location of "super mailboxes", and in general, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of this Property. Such Notices, when available, may be delivered to the Purchaser in accordance with the notice provisions herein and delivery in accordance with any methods described in said notice provisions shall be deemed to constitute appropriate notification of the Purchaser. The Purchaser agrees to be bound by the contents of any such Notices and covenants to execute forthwith upon request, an acknowledgment containing such Notices if and when requested to do so by the Vendor. In the event any Development Agreements are not registered as of the date of acceptance of this Agreement, and therefore the Notices are not yet available, or if after they are available, they are amended by the Municipality, or are inadvertently omitted or misquoted by the Vendor and if the Municipality requires the Purchaser to receive a copy of the Notices, then a copy of the Notices as revised as necessary, shall be mailed or emailed to the Purchaser's address as provided for in this Agreement or to the Purchaser's solicitor and such mailing or emailing shall be deemed to constitute appropriate notification. Without limiting the generality of the foregoing, to the extent that any Notices are provided to the Purchaser by the Vendor after this Agreement has been made, such Notices shall be deemed to have been included in this Agreement at the time that this Agreement has been made. The Purchaser acknowledges and agrees that any Notices and warning clauses may be registered on title to the Property, at the sole, absolute, subjective and unfettered discretion of the Vendor. Purchasers/occupants are advised that despite the inclusion of noise control features in this Project or this Subdivision and within dwellings, noise levels from increasing road traffic from nearby roadways may be of concern occasionally interfering with some activities of the dwelling occupants.

9. **AFTER CLOSING**

- (a) In the event that after taking possession of the Dwelling, the Purchaser shall complete and/or install any additions and/or improvements such as, but not limited to, porches, patios, plantings, paved driveways, walkways, pools or hot tubs, curbs or fences which are located within 6 feet of an external wall or within any area which interfere with the Vendor or Subdivider installing any required services and/or performing any works pursuant to the Development Agreements or in accordance with the Vendor's Tarion warranty obligations, the Purchaser will remove such addition and/or improvements to the extent required by the Vendor or Subdivider to complete the required work or service within 5 business days of written request from the Vendor and prior to the Vendor taking any corrective actions which it is required to take.
- (b) In the event that after taking possession of the Dwelling, the Purchaser shall complete and/or install any improvements, additions or alterations thereto, including, but not limited to, finishing basement, wallpapering, cabinetry and/or mouldings and/or finishings, porch tiles or finishes, pools or hot tubs the Purchaser shall be required to remove such improvements, additions or alterations at the Purchaser's own expense, in the event that the Vendor shall be required to carry out any repairs or replacements to the Property in the area of such improvements, additions or alterations.
- (c) The Purchaser acknowledges that grading and sodding and landscape plantings (if any) shall be done between June and October (weather permitting and subject to availability of supplies) of any year as per the Vendor's scheduling program. The Purchaser agrees that the Purchaser shall be solely responsible for watering and general maintenance of sod and landscape plantings (if any) from the Closing Date or from the date that sod is laid (or landscape plantings are planted), whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod (or other landscape plantings, if any), the Vendor shall not be obligated to do so until payment has been made therefor by the Purchaser and if so replaced, the Purchaser agrees to reimburse the Vendor for the costs and expenses of same as determined by the Vendor, which costs and expenses may be deducted from the Security Deposit at the Vendor's sole, absolute, subjective and unfettered discretion. Further, the Purchaser acknowledges that the order of closing of the Property and/or the order of completion or closing of other lots sold by the Vendor is not indicative of the order of sodding (or landscaping planting) of the Property and said other lots. If the Vendor is required by the Subdivider or any governmental authority to replace any laid sod or landscape plantings, etc. as a result of the Purchaser's default under this subsection, the Purchaser shall promptly pay the Vendor for same and the Vendor shall not be obliged to replace same until payment has been made therefore in full to the Vendor by the Purchaser. The Vendor shall not be required to supply the Purchaser with evidence of payment for the replacement of same. The aforementioned obligations of the Purchaser shall survive the closing of the herein transaction.
- (d) The Purchaser covenants to occupy the Dwelling forthwith after Closing. The Purchaser agrees not to finish the whole or any part of the basement of the Dwelling for a period of 24 months after the Closing or such longer period which is equivalent to the warranty period under the Warranty Act for basement repairs. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of water damage to basement improvements and chattels stored in basement resulting from water seepage or leakage, including any consequential damages arising therefrom.
- (e) The Purchaser acknowledges that the Vendor has a master key for the Project and in the event that the Purchaser wishes to change any locks, the Purchaser may do so, at the Purchaser's own expense, any time after Closing.
- (f) If settlement occurs due to soil disturbances around the Dwelling, the walkways, driveways and sodded areas, all minor settlements shall be the responsibility of the Purchaser, and the Vendor will rectify any major settlement once only, and such work, unless of an emergency nature, will be completed when reasonably feasible and according to the Vendor's work program and availability of materials and tradesmen's services. The Vendor is not responsible for any damage to the Dwelling which the Vendor considers of a minor nature by reason of such settlement.
- (g) No request by the Purchaser for homeowner service will be processed by the Vendor unless such request is in writing through Tarion's submission requirements, other than emergency service, such as no heat, water or electricity. In the event the Vendor is requested by the Purchaser to perform a homeowner service call for repairs relating to construction or work performed by the Vendor and the Vendor determines in its sole, absolute, subjective and unfettered discretion that such repair is required due to any negligent act or omission either through the neglect or omission of the Purchaser, the Purchaser shall pay to the Vendor the sum of \$350.00 per homeowner service call, plus the cost of all materials utilized by the

Vendor in making such repair, plus Applicable Taxes thereon.

- (h) The Purchaser agrees that after Closing, if required by the Municipality or any public or private utility such as the local electric authority, gas company, telecommunication or television system provider he will grant an easement for the installation and maintenance of sewers, water mains, lines or any other similar installations.
- (i) 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 Property without the express written consent of the Vendor which consent may be withheld in the Vendor's sole, absolute, subjective and unfettered discretion. The Vendor shall have the right during such period to enter on the 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 Property in contravention of this Section without such act being a trespass.
- (j) If, after Closing, the Property is sold before the LATER OF the completion of all the Tarrion warranty periods for the Property and 24 months after the Closing Date, the Purchaser shall ensure that this Agreement (and all schedules hereto) is attached to the sales agreement and make the new purchaser responsible for all the terms and provisions of this Agreement to be complied with by the Purchaser hereunder.
- (k) If any appliances are purchased by the Purchaser from the Vendor, the purchase of same shall not include installation charges. Should the Vendor, at the Vendor's sole, absolute, subjective and unfettered discretion, agree to install any of said appliances on behalf of the Purchaser, then the Vendor's installation fees and costs shall be paid by the Purchaser as an adjustment on the Closing Date or at such other time as may be required by the Vendor, in the Vendor's sole, absolute, subjective and unfettered discretion. Should the Vendor, at the Vendor's sole, absolute, subjective and unfettered discretion, not agree to install any of said appliances on behalf of the Purchaser, then the Purchaser shall arrange for the installation of the applicable appliances after the Closing Date, at the Purchaser's sole cost and expense.
- (l) The Purchaser agrees that until all the homes in the Project are sold, the Vendor shall have the exclusive rights to maintain model homes, signs, sales staff and marketing material(s) in the Project and to show prospective purchasers through the Project and through any unsold properties, dwellings and/or other structures.

10. PROHIBITION ON SELLING, ASSIGNING, LEASING, LISTING ETC.

- (a) The Purchaser covenants not to offer for sale, lease and/or transfer the Property, nor to sell, lease, assign or transfer the Purchaser's interest under this Agreement (or in the Property), nor to advertise, list, allow or cause to be advertised or listed for sale, lease, assignment or otherwise the Property or an interest under this Agreement on a listing service or sales service including, without limitation, the Multiple Listing Service ("MLS") or on, by or through any other publication or medium, including without limitation, any form of social media or through any website or application, until after acquisition of title to the Property on the Closing Date and the Vendor having received payment of all of the Purchase Price. The Purchaser acknowledges and agrees that once a breach of any of the preceding covenant occurs, such breach is (or shall be) 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 terminating this Agreement effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply.
- (b) The Purchaser represents to the Vendor (upon which representation the Vendor has relied in accepting the Purchaser's offer) that the Purchaser is purchasing the Property for the Purchaser's own personal use and not for investment, short term and/or speculative purposes.
- (c) The Purchaser covenants and agrees that it shall not place or allow to be placed any "for sale", "for lease" or "for rent" signs within the Dwelling that are visible from the exterior thereof or upon any portion of the Property or lands adjacent thereto until the later of: (a) the closing of the herein transaction and (b) until all of the dwellings in the Project have been sold, which occurrence shall be determined by the Vendor in its sole, absolute, subjective and unfettered discretion. In the event that the Purchaser places or allows to be placed any such signs in contravention of the aforementioned, the Vendor shall have the absolute right to enter onto the Property and remove such sign without such act being an act trespass and the Vendor shall not be liable to the Purchaser for such removal, either in contract, tort or otherwise. The aforementioned covenant of the Purchaser and right of the Vendor shall survive the closing of the herein transaction.

11. ENTRY WITHOUT CONSENT / UNLAWFUL WORKS

- (a) Except for the purposes of conducting the inspection with the Vendor's representative described at Section 5(a), the Purchaser shall not enter (and shall not direct or cause anyone to enter) the Property and/or the Dwelling without the prior written consent of the Vendor (which may be withheld in the Vendor's sole, absolute, subjective and unfettered discretion) and if such consent is granted, may be conditioned by the Vendor in accordance with such conditions as the Vendor may determine in its sole, absolute, subjective and unfettered discretion) until the Purchaser has completed the Purchaser's obligations under this Agreement on the Closing Date. In respect of any entry with the Vendor's prior written consent, the Purchaser agrees to comply with all regulations under applicable legislation (including without limitation, the *Occupational Health & Safety Act*) and shall wear head and foot protection and such other safety apparel as designated by the Vendor.
- (b) In the event that the Purchaser (or a person representing or acting on behalf of the Purchaser), without the consent in writing of the Vendor, enters upon the Property prior to the Purchaser having completed the Purchaser's obligations under this Agreement on the Closing Date, such breach is (or shall be) 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 terminating this Agreement effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Further, such entry shall be considered a trespass by the Purchaser and will entitle the Vendor to bring criminal or civil proceedings for such trespass against the Purchaser.
- (c) Further, in the event that the Purchaser (or a person representing or acting on behalf of the Purchaser) enters upon the Property prior to the Purchaser having completed the Purchaser's obligations under this Agreement on the Closing Date without the consent in writing of the Vendor and carries out changes or additions to the Dwelling (the "**Unlawful Works**"), the Purchaser will forthwith pay to the Vendor the amount incurred by it in order to correct any damages caused by the installation or existence of the Unlawful Works including, without limiting the generality of the foregoing, time lost by the resulting delays and interest on monies invested. In addition to the foregoing, if the Unlawful Works shall be determined by any inspector having jurisdiction in that regard as not complying with the statutes, by-laws or regulations applying thereto, the Purchaser shall forthwith carry out any required work to remedy any such non-compliance and failing which, the Vendor, at its option may carry out such work at the expense of the Purchaser which he shall pay to the Vendor forthwith upon written request for payment for same. **Should the Vendor, in its sole, absolute, subjective and unfettered discretion, allow the Purchaser to close the purchase of the transaction described herein despite the performance of the Unlawful Works, the Purchaser acknowledges and agrees that the unlawful works shall not be covered under the Warranty Act's warranties and that anything constructed by the Vendor which is not accessible due to the Unlawful Works shall not be covered under the Warranty Act's warranties.**
- (d) In the event that Unlawful Works are performed and the Vendor terminates this Agreement pursuant to Section 11(b), the Vendor shall be entitled to retain ownership of the Unlawful Works (and the value thereof) and the Purchaser disclaims and interest or ownership therein.
- (e) The Purchaser hereby indemnifies and saves 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 any person or property arising from the Purchaser's (or any person accompanying the Purchaser, or any person representing or acting on behalf of the Purchaser, or any person for whom the Purchaser is responsible is responsible at law) entry onto the Property or any part of the Project prior to the Closing Date, whether such entry is with or without the written consent of the Vendor.
- (f) The Purchaser covenants and agrees that the Vendor will not contract for the supply and installation of extras to the Dwelling to be constructed other than by way of written contract on a specific form supplied by the Vendor for that purpose.

12. CONTRACT

The deposit monies are expressly deemed to be deposit monies only, and not partial payments.

Subject to any other rights of the Vendor to terminate this Agreement contained herein, if any (a) monetary default by the Purchaser occurs under this Agreement; or (b) any non-monetary default by the Purchaser occurs under this Agreement and such non-monetary default continues for 5 days after written notice thereof is given to the Purchaser or the Purchaser's solicitor, then the Vendor may retain all monies paid as liquidated damages without prejudice to any other rights of the Vendor and the Vendor may thereupon terminate this Agreement.

Without prejudice to the Vendor's rights as to forfeiture of deposit monies as aforesaid, and in addition thereto, the Vendor shall have the right to recover from the Purchaser any monies owing to the Vendor pursuant to this Agreement and not paid to the Vendor in accordance with the terms hereof and/or all additional costs, losses and damages arising out of default on the part of the Purchaser pursuant to any provision contained in this Agreement, including interest thereon from the date of demand for payment at the rate of 24% per annum, calculated daily, not in advance, until paid. In the event this Agreement, in future, is amended in order to accelerate the Closing of the transaction or to change or alter the construction specifications of the Dwelling by giving the Purchaser a credit or reduction against the Purchase Price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted herefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement. The Purchaser, if required by the Vendor, shall execute and deliver on Closing one or more covenants incorporating the terms hereof. There is no representation, warranty, collateral Agreement or condition affecting this Agreement or the Property, or supported hereby, except as set forth herein in writing. In the event there is a conflict between any term(s) in this Agreement, the Vendor shall determine which conflicting term(s) prevail(s). The Purchaser acknowledges and agrees that the covenants and obligations of the Vendor contained in this Agreement shall be those of the Vendor only and should the Vendor represent or act as trustee or agent on behalf of a beneficiary or principal (whether disclosed or undisclosed) in executing this Agreement, such beneficiary or principal shall have no liability under this Agreement, such liability being restricted to the Vendor only. All buildings and equipment shall be and remain at the Vendor's risk until Closing. In the event of any damage to the Dwelling, however caused, the Vendor shall be entitled to the insurance proceeds payable under any insurance policy coverage on the Dwelling. Deed to be prepared at Vendor's expense, and shall be executed by the Purchaser if required by the Vendor and shall be registered forthwith on Closing at the Purchaser's expense. The Purchaser shall pay the Vendor's solicitor's fees in the amount of \$500.00 (plus Applicable Taxes and disbursements) for each letter or other form of notice sent to the Purchaser or the Purchaser's solicitor relating to any default by the Purchaser.

13. COLOUR AND MATERIAL SELECTION

- (a) Wherever in this Agreement the Purchaser has the right to choose colours or materials, the Purchaser shall do so within 14 days after notification by the Vendor and the Purchaser shall make the Purchaser's selection of such colours and/or materials, whatever the case may be, from the Vendor's samples. In the event the Purchaser fails to choose colours or materials within the aforementioned time period, the Vendor shall have the option of choosing the colours and materials and the Purchaser shall be obligated to accept same. The Purchaser shall conduct its choice of colours and materials in the manner set out by the Vendor in its sole, absolute, subjective and unfettered discretion, including without limitation, by electronic mail, by mail, by videocall/video conference, by phone call, through a website, through an electronic portal, through a computer or phone application and/or by way of personal attendance at specific location, all at a time designated by the Vendor in its sole, absolute, subjective and unfettered discretion. The Vendor is not responsible for any errors in the selection of features, finishes, colours and materials arising from any limitations and/or restrictions in the methods, media, systems and/or technologies used to make such selections. The Purchaser acknowledges that any delay in making selections and/or reselections may prejudice the Vendor's construction schedule and the Purchaser covenants and agrees to reimburse the Vendor for any costs incurred by the Vendor arising from any adverse impacts to the Vendor's construction schedule caused by the Purchaser.
- (b) If an appointment for the choosing of colours or materials for the Dwelling is made and is subsequently cancelled by the Purchaser or its representative on less than 24 hours' written notice is subject to a cancellation fee of \$500.00 (plus Applicable Taxes) payable to the Vendor upon demand.
- (c) In the event that the Purchaser shall have made a choice of colours and/or materials from either the Vendor's samples or otherwise as aforesaid and because of lack of supply or other reasons the installation of such colour choice and material cannot be completed in accordance with the Vendor's construction schedule, the Purchaser shall choose alternate colours and materials within 7 days of notification by the Vendor and in the event the Purchaser fails to make an alternate selection as aforesaid, the Vendor shall have the option of choosing the colours and materials and the Purchaser shall be obligated to accept same.
- (d) In the event that by the Closing Date the installation of the selected colours and upgraded materials to be performed by the Vendor or its subtrade(s) has not been completed, and as a result thereof the Dwelling has not been completed, then the Purchaser shall, notwithstanding such incomplete work, complete the transaction on the Closing Date and shall pay the full amount required to be paid on Closing in accordance with this Agreement, notwithstanding that an occupancy permit may not be available as a result thereof.

- (e) In the event that the Purchaser has installed or has requested the Vendor to install a different floor covering than that which the Vendor would normally install in the dwelling, then the Purchaser agrees that if any defects should come to light for which the Vendor is normally responsible and repairs to which require the removal of the said floor covering, the Vendor will not be responsible to effect such repairs. For purposes of this Agreement "floor covering" shall mean any type of finished floor covering which is normally placed on the sub-floor and without limiting the generality of the foregoing, shall include tile, hardwood, marble, terrazzo and carpet.
- (f) Where omissions occur on a colour selection sheet, the Purchaser acknowledges that selection by the Vendor will be final.
- (g) Unpaid upgrades listed on a standard colour chart will not be deemed to be part of the Agreement and if installed, the Purchaser shall pay for said upgrades upon the demand to the Vendor.
- (h) The Purchaser agrees that if after having made the original colour and material selections the Purchaser does make a change to same, erroneously or otherwise, the Purchaser will be deemed responsible for all errors resulting from any such selections. The Purchaser further acknowledges and agrees that any changes to any of the original colour and material selections shall be subject to the express written approval of the Vendor, which approval may be refused in the Vendor's sole, absolute, subjective and unfettered discretion. Any such changes shall also be subject to the Vendor's administration fee(s) determined in the Vendor's sole, absolute, subjective and unfettered discretion, plus Applicable Taxes, payable by the Purchaser upon demand by the Vendor.
- (i) The Purchaser further agrees that in the event that the Vendor has preselected colours and materials prior to the purchase herein of the Property, said colours and materials shall be final notwithstanding that the Purchaser may have completed a colour selection/chart.
- (j) In the event that any of the terms and conditions stated on a contract, addendum or schedule requesting upgrades or extras, if any (the "**Purchaser's Extras Contract**"), are in conflict or contradiction of any terms or conditions stated in this Agreement, it is hereby agreed that the terms and conditions stated on the Purchaser's Extras Contract shall take precedence over the terms and conditions of this Agreement provided such provisions do not conflict with the provisions of the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale annexed hereto, in which case the provisions of the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale annexed hereto shall be read to form part of the Purchaser's Extras Contract in the place and stead of the conflicting or contradictory provisions thereof. without limiting the foregoing, the Vendor and Purchaser agree that the provisions of the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale annexed hereto shall prevail over any provision contained in this agreement, in any amendment to this agreement or in any other document between the Vendor and Purchaser in relation hereto that derogates from, conflicts with or is inconsistent with the provisions of the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale annexed hereto.

14. MODEL HOMES

- (a) The Purchaser acknowledges that the Purchaser has purchased the Dwelling on the basis of plans appended to this Agreement and not from a model, vignette or sales office samples. The Purchaser acknowledges that the model homes, if any, may have items installed for decor purposes, such as, but not limited to, upgraded flooring materials, ceramic tile, hardwood, carpet, paint, kitchen cabinets, countertops, lighting and fixtures, driveways, walkways, railings and pickets, skylights, entry doors, interior doors, paneling, wallpaper, window treatment, drapes, curtains, plumbing supplies, intercom systems, alarm systems, appliances, landscaping, underground sprinkler systems, underground lighting, decks and finished basements. The Purchaser acknowledges and agrees that these decor items will not be included in the Purchase Price and that the contract will consist of only those items listed on Schedule "A".
- (b) Notwithstanding anything herein written, if at the time that this Agreement is executed, the dwelling constructed on the Property has already been substantially completed, the Purchaser shall purchase the Property in an "as built" condition rather than in accordance with any other representations herein contained.
- (c) Furthermore, in the event that the Dwelling has been used as a model or show home, the Purchaser acknowledges that the subject premises has been used extensively as a "Model" of "Show" home, and as such, has been subjected to the normal wear and tear associated with that purpose. Unless otherwise specifically agreed in writing, no refinishing shall be done by the Vendor on the subject premises and the Purchaser agrees to accept the dwelling on closing on an "as-is" basis. For the purposes of clarity only, and without

restricting the generality of the foregoing, the Purchaser hereby waives any claim in respect of scratched floors, counters or plumbing fixtures; or, sun-faded paint and stain colours.

15. HST CLAUSE

The Purchaser and Vendor agree that the harmonized sales tax (the "HST") applies to this transaction and the Purchase Price includes the HST, net of the federal and Ontario new housing rebates or the like (collectively the "Rebate"). The Purchaser shall assign in a form required by the Vendor and/or by any of the Government of Canada, Government of Ontario and/or any other governmental and/or tax authority (collectively, the "Government") to the Vendor (or to such other party as the Vendor may otherwise require or direct) all of the Purchaser's right, title and interest in the Rebate to which the Purchaser is entitled. In connection with such assignment, the Purchaser shall deliver to the Vendor (or to such other party as the Vendor may otherwise require or direct), forthwith upon request by the Vendor, prior to, on or after the Closing Date, such application, documents and affidavits as may be required by the Vendor and/or the Government to establish the Purchaser's entitlement to the Rebate. If the Purchaser is not entitled to the Rebate for any reason whatsoever or if the Rebate is reduced or withdrawn by the Government and not replaced with an amount equivalent to the amount of the Rebate to which the Purchaser is entitled by the Government or if the Rebate is not or cannot be assigned to the Vendor (or to such other party as the Vendor may otherwise require or direct) or the Rebate is claimed and payment/credit of the Rebate to the Vendor (or to such other party as the Vendor may otherwise require or direct) is denied by the Government or if, following the Closing Date, the Vendor (or such other party identified by the Vendor) believes that the Purchaser does not qualify for the Rebate for whatever reason, including, without limitation, the Property being offered, listed or advertised for sale, lease or transfer privately or otherwise on a listing service system or on, by or through any other publication or medium, then, the Purchaser shall forthwith upon demand by the Vendor pay to the Vendor (or to such other party as the Vendor may otherwise require or direct) an amount equal to the Rebate or the amount so reduced or withdrawn and until so paid, the amount of the Rebate shall form a charge against the Property which charge shall be recoverable by the Vendor (or by such other party identified by the Vendor) in the same manner as a mortgage in default. If the Vendor (or such other party identified by the Vendor) does not receive the full benefit of the Rebate for any reason whatsoever, whether or not as a result of the Purchaser's acts or omissions, the Purchaser shall indemnify and save the Vendor (or such other party identified by the Vendor) harmless in the amount that the Vendor (or such other party identified by the Vendor) would have been entitled to had such Rebate been received, together with all interest and penalties thereon, and all losses, costs, damages and liabilities which the Vendor (or such other party identified by the Vendor) may suffer, incur or be charged with in connection therewith, as a result of the Purchaser's failure to qualify for the Rebate, or as a result of the Purchaser having qualified initially but being subsequently disentitled to the Rebate, or as a result of the inability to assign the benefit of the Rebate to the Vendor (or to such other party as the Vendor may otherwise require or direct), or as a result of the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor (or to such other party as the Vendor may have otherwise required or directed), which indemnity shall survive the Closing Date. Notwithstanding anything herein contained to the contrary, the Vendor shall have the right to register a Vendor's Lien for the amount of the Rebate against the Property immediately following the Closing Date to secure the Vendor's entitlement (or the entitlement of such other party as may be identified by the Vendor) to the Rebate as herein provided. The Purchaser acknowledges and agrees that the Purchaser shall not be entitled to any refund, credit or abatement in any manner whatsoever should the HST, or any portion thereof, not apply to this transaction for any reason whatsoever. The HST that is included in the Purchase Price is based on the federal portion and the provincial portion of the HST at the rates of 5% and 8%, respectively. If either or both of the rates increase, the Purchaser shall be responsible for the increase and shall pay same as an adjustment on the Closing Date, and if either or both of the rates decrease, the Purchaser shall not be entitled to any abatement or reduction of the Purchase Price. Notwithstanding that the Purchase Price is inclusive of the HST net of the Rebate as aforesaid, the Purchaser, shall, at the Purchaser's own cost and expense, be responsible for the payment of the HST and all other taxes, value added taxes, sales taxes, use taxes or transfer taxes and any increases thereof which may be applicable (collectively the "Applicable Taxes") on all closing adjustments and amounts payable for extras, changes, upgrades, fees and charges.

If the Vendor (or such other party identified by 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 (or such other party identified by the Vendor) 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 (or such other manner as may be determined by the Vendor in its sole, absolute, subjective and unfettered discretion) delivered on the Closing Date, an amount equivalent to the Rebate, in addition to the Purchase Price. In those circumstances where the Purchaser maintains that the Purchaser is eligible for the Rebate despite the Vendor's (or such other party identified by the Vendor) belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebate as aforesaid) be fully entitled to file the rebate form directly with (and pursue the procurement of the Rebate directly from) the Canada Revenue Agency.

The Purchaser acknowledges and agrees for any matter related to HST that is applicable to this transaction, including without limiting the generality of the foregoing, the Rebate, that the Vendor may designate another person (including any party in which the Vendor is acting as the disclosed or undisclosed agent for when it entered into this Agreement) to be listed as a party to the HST documentation and the Purchaser agrees to execute such HST documentation notwithstanding that a party other than the Vendor may be the recipient, addressee or beneficiary of the Rebate. Where the Vendor determines that such HST documentation is incomplete, incorrect or insufficient for the Rebate to be claimed, the Purchaser, without limiting the generality of Section 30 hereby irrevocably nominates, constitutes and appoints the Vendor (and any other party as may be directed by the Vendor) as its duly authorized attorney, agent and representative to amend, correct and complete, as applicable, such HST documentation including the Rebate form.

Regardless of whether or not the Purchaser is a registrant under the *Excise Tax Act*, the Purchaser shall not be entitled to self-assess the HST payable in respect of this transaction.

16. AGREEMENT CONDITIONAL

This Agreement and the transaction arising therefrom are conditional upon compliance with the subdivision control provisions of the *Planning Act* of Ontario, and amendments thereto, at the Vendor's expense.

17. AGREEMENT NOT TO BE REGISTERED

The Purchaser acknowledges this Agreement confers a personal right only and not any interest in the Property and that the registration against title of any notice or caution or other reference to this Agreement or the Purchaser's interest is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other purchasers of dwellings within the Project. If any such registration occurs, the Vendor may terminate this Agreement forthwith and take full forfeiture of the Purchaser's deposits as liquidated damages and not as a penalty. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a full indemnity basis together with any Applicable Taxes thereon. Additionally, the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as the Purchaser's lawful attorney in the Purchaser's name, place and stead, without liability or claim, for the purpose of removing any such registration from title.

18. TENDER

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the provisions of paragraph herein headed "ELECTRONIC REGISTRATION". The Vendor shall not be required to register any discharge of any outstanding mortgage, charge or other encumbrance not being assumed by the Purchaser on the Closing Date, in order to validate or perfect the Vendor's tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the provisions of paragraph headed "TITLE" herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in writing by the Vendor, in its sole, absolute, subjective and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of the Purchaser's solicitor's certified cheque drawn on a Schedule "1" Canadian Chartered bank. The Purchaser further acknowledges and agrees that the Vendor shall not be required to provide any key(s) as part of any tender made by it and that this Agreement provides for the release of keys following the Closing.

Notwithstanding anything contained herein to the contrary, in the event the Purchaser or the Purchaser's solicitor advise the Vendor or the Vendor's solicitors, on or before the Closing Date that the Purchaser is unable or unwilling to complete the purchase of the Property or take occupancy of same, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's solicitor and the Purchaser may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

19. EXTENSION, TERMINATION ETC.

- (a) The Purchaser acknowledges that the Closing Date as described in this Agreement may be extended in accordance with the Warranty Act and the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale.
- (b) The Vendor shall have a one-time unilateral right, at its sole, absolute, subjective and unfettered discretion, to extend the Firm Closing Date or Delayed Closing Date (as set out in the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale appended hereto), 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.
- (c) Forthwith upon any termination of this Agreement the Purchaser shall execute and deliver

to the Vendor the form of Mutual Release and Termination Agreement that may be required by the Vendor and/or Tarion in the circumstances of such termination.

- (d) In the event the Purchaser requests an extension to the Firm Closing Date or Delayed Closing Date, as the case may be, the Purchaser shall pay the Vendor's solicitor's fees and disbursements (plus Applicable Taxes and disbursements) with respect to such requests and any extensions.

20. AGREEMENT NOT TO MERGE WITH TRANSFER

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Property to the Purchaser. It is provided that in the event of a breach of any covenant, warranty or obligation contained in this Agreement to be performed by the Purchaser, the Vendor shall be entitled, at its option, to declare this Agreement terminated and to retain all amounts paid by the Purchaser without prejudice to any other rights of the Vendor arising from that breach.

21. WAIVER

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

The Purchaser acknowledges and agrees that in the event that the Vendor has entered this Agreement as a trustee or agent for and on behalf of an undisclosed beneficiary or principal, whether or not so stated herein, there shall be no liability on such undisclosed beneficiary or principal and the only recourse or remedy that the Purchaser shall have on default by the Vendor herein is against the Vendor and the Property, the Purchaser hereby waiving any rights of recovery or recourse against such beneficiary or principal whether in law, equity or otherwise.

22. SUBORDINATION AND ASSIGNMENT OF AGREEMENT

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged or to be arranged by the Vendor and any advances thereunder from time to time, and to any easement, service agreement and other similar agreements made by the Vendor concerning the property or lands. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as the Purchaser's lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement to any party registered as a Vendor pursuant to the Warranty Act, and upon notification of assumption of this Agreement and such assignment to the Purchaser, the Vendor shall be automatically released from all obligations arising pursuant to this Agreement and the assignee shall continue from the date of such assignment as the Vendor as if it had been the original party to this Agreement. Further, the Vendor may assign this Agreement and its covenants and obligations herein to any lender. As it relates to an assignment of this Agreement to a lender as aforesaid the lender's liability shall be limited as provided for in the assignment.

23. ACCEPTANCE

The Purchaser's offer to purchase the Property, as set out in this Agreement, when accepted by the Vendor, shall constitute a binding agreement of purchase and sale without requiring notice of such acceptance to be delivered to the Purchaser prior to such time. Without limiting the generality of the foregoing, acceptance of this offer (or any counter offer with respect thereto) may be made by way of telefax transmission, pdf electronic mail or similar electronic transmission, reproducing the original, provided all of the necessary signatures and initials of both parties hereto are duly reflected on (or represented by) the telefaxed, emailed or electronic copy of the Agreement are so transmitted, and such offer and/or acceptance shall be deemed to have been effected or made when the Agreement is telefaxed, emailed or sent electronically to the intended party, and the parties irrevocably acknowledge and agree that such telefaxed, emailed or electronic transmission of the Agreement shall be binding upon the parties to the same extent as if originally signed.

24. TIME OF ESSENCE

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulations, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

25. PREPARATION AND COST OF REGISTERING DOCUMENTS

The Transfer is to be prepared by the Vendor on the Vendor's standard form. If required by the Vendor, the deed may contain covenants on the part of the Purchaser to comply with the stipulations set out herein, and is to be executed by the Purchaser. Any discharges of underlying mortgages (collectively, the "Discharges") shall be prepared by the Vendor on the Vendor's standard form; the Discharges to be at the expense of the Purchaser, being a fee of \$450.00 plus Applicable Taxes in total, irrespective of the number of Discharges required. The Purchaser shall pay the cost for registration and any exigible taxes on the registration of the Transfer and Discharges. The Purchaser agrees to provide a statutory declaration on or before closing confirming that there are no judgments outstanding against him and the Purchaser agrees to provide reasonable evidence confirming same, including a creditor's letter if necessary, if requested by the Vendor, if there is any judgment filed against a person with the same or similar name. That statutory declaration shall also include the birth date and social insurance number of the Purchaser. In the event that the electronic document registration system is operative in the relevant Land Registry Office in which the Property is situate, at the Vendor's discretion the Purchaser shall enter into the Vendor's form of escrow closing agreement which shall include provisions relating to the delivery of funds and keys and the exchange, delivery and registration of documentation.

26. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be illegal or invalid, or beyond the powers or capacity of the parties hereto, then provided such provision is not, in the Vendor's sole, absolute, subjective and unfettered opinion, essential or fundamental to the completion of this transaction, such provision shall be deemed and construed to be severed and deleted from this Agreement, and the remainder of this Agreement shall continue in full force and effect.

27. NOTICE

- (a) Save and except for any notices to be provided pursuant to the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale, any notice desired or required to be given to the Purchaser shall be in writing, and either delivered personally or by prepaid mail, addressed to the Purchaser's solicitor or to the Purchaser at the address as provided on the front page of this Agreement or in the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale, or telefaxed to the Purchaser's solicitor or the Purchaser's telefax number as provided in the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale, or electronically mailed to either the Purchaser at the address contained in the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale or to the Purchaser's solicitor, with all such address and contact information set out on the front page of this Agreement or in the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale being subject to other or updated information that may be provided to the Vendor from time to time or otherwise in accordance with this Agreement. If such notice is mailed, it shall be deemed to have been received by the Purchaser on the day (excluding Saturdays, Sundays and statutory holidays) following the date of its mailing, and if such notice is personally delivered, same shall be deemed to have been received on the date of such personal delivery, and if telefaxed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the transmission of the telefax, and if electronically mailed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the date of its electronic mailing.
- (b) Save and except for any notices to be provided pursuant to the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale, any notice desired or required to be given to the Vendor shall be in writing, and either delivered personally or by prepaid mail, addressed to the Vendor's solicitor at the address noted herein and to the Vendor, or telefaxed to the Vendor's solicitor. If such notice is mailed, it shall be deemed to have been received by the Vendor on the 3rd day (excluding Saturdays, Sundays and statutory holidays) following the date of its mailing, and if such notice is personally delivered, same shall be deemed to have been received on the date of such personal delivery, and if telefaxed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the transmission of the telefax.
- (c) The Purchaser acknowledges and agrees that upon entering into this Agreement, the Purchaser shall provide in the Statement of Critical Dates and Addendum to Agreement of Purchase and Sale the Purchaser's electronic mail address, and forthwith upon request by the Vendor the Purchaser's solicitor's electronic mail address.
- (d) The Purchaser shall advise the Vendor of any changes in any of its mailing address, telephone number or electronic mail address or of its solicitors forthwith upon such change, failing which the Purchaser shall be charged a fee of \$250.00 plus Applicable Taxes on the Statement of Adjustments.

- (e) The Purchaser covenants to forthwith and without delay retrieve, collect, receive and read all notices sent to the Purchaser by the Vendor or the Vendor's solicitor.

Provided that during periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with sub-paragraphs (a) and (b) above.

28. GENDER AND NUMBER

This Agreement is to be read with all changes of gender and number as may be required by the context.

29. SUCCESSORS AND ASSIGNS

Except as expressly herein provided, the parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns.

30. POWER OF ATTORNEY

- (a) In accordance with the provisions of the Powers of Attorney Act R.S.O. 1990, as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.
- (b) If any documents, instruments, etc. required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person shall be registered in the Land Titles Office for the Property, and a duplicate registered copy thereof (together with a statutory declaration sworn by the attorney or the Purchaser's solicitor confirming that said power of attorney has not been revoked) shall be delivered to the Vendor along with such documents.
- (c) Where a third party has been appointed as the attorney for the Purchaser for the purposes of executing any documents contemplated by this Agreement, then any notices required or desired to be delivered to the Purchaser in accordance with this Agreement may be given to the said attorney, in lieu of the Purchaser or the Purchaser's solicitor (and shall be deemed to have been received by the Purchaser when so delivered to the Purchaser's attorney).
- (d) Where the Purchaser is required to execute and deliver any document herein to the Vendor and fails to do so, the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor to be and act as the Purchaser's lawful attorney, in the Purchaser's name, place and stead, in order to execute any such documents in accordance with the provisions of the Powers of Attorney Act (Ontario) as amended from time to time.

31. ELECTRONIC DOCUMENTS AND TRANSFER OF FUNDS

- (a) Pursuant to subsection 3(1) of the Electronic Commerce Act of Ontario, as amended (or any successor or similar legislation) (the "EC Act"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or its solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole, absolute, subjective and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the EC Act. In the event that the Purchaser and/or its solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole, absolute, subjective and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.
- (b) The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole, absolute, subjective and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "EFTS") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc.. In such case:

- (i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;
- (ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and
- (iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

32. ELECTRONIC REGISTRATION

If the electronic registration system (hereinafter referred to as the "Electronic System" or "ERS") is operative in the applicable Land Registry Office in which the Property is registered, the following provisions shall prevail, namely:

- (a) the Purchaser shall be obliged to retain a lawyer in good standing with the Law Society of Ontario to represent the Purchaser in connection with the completion of the transaction, and shall authorize such lawyer to enter into an escrow closing agreement with the Vendor's solicitor on the latter's standard form (hereinafter referred to as the "Escrow Document Registration Agreement"), establishing the procedures and timing for completing this transaction. The Purchaser shall reimburse the Vendor as an adjustment on closing for any additional legal costs that the Vendor may incur to complete this transaction under ERS of \$250.00, plus Applicable Taxes.
- (b) the delivery and exchange of documents and monies for the Property and the release thereof to the Vendor and the Purchaser, as the case may be:
 - (i) shall not occur contemporaneously with the registration of the transfer/deed (and other registerable documentation); and
 - (ii) shall be governed by the Escrow Document Registration Agreement, pursuant to which the solicitor receiving the documents and/or certified funds will be required to hold same in escrow, and will not be entitled to release same except in strict accordance with the provisions of the Escrow Document Registration Agreement;
- (c) if the Purchaser's lawyer is unwilling or unable to complete this transaction via ERS, in accordance with the provisions contemplated under the Escrow Document Registration Agreement, then said lawyer (or the authorized agent thereof) shall be obliged to personally attend at the office of the Vendor's solicitor at the time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via ERS utilizing the computer facilities in the Vendor's solicitor's office;
- (d) the Purchaser expressly acknowledges and agrees that the Purchaser will not be entitled to receive the transfer to the Property for registration until the balance of funds due on closing, in accordance with the statement of adjustments, are either remitted by certified cheque via personal delivery or if agreed to by the Vendor's solicitor, by electronic funds transfer to the Vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the transfer for registration;
- (e) each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the Property shall be delivered to the other party hereto on or before the Closing Date; and
- (f) notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by the Vendor upon the Purchaser when the Vendor's solicitor has:
 - (i) delivered all closing documents and/or funds to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement;
 - (ii) advised the Purchaser's solicitor, in writing, that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) has completed all steps required by ERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor, and
 - (iv) without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

33. HEADINGS

The headings to the clauses of this Agreement form no part of the agreement but shall be deemed to be inserted for convenience of reference only.

34. APPLICABLE LAW AND JOINT AND SEVERAL LIABILITY

This Agreement shall be governed by the laws of the Province of Ontario. If more than one individual, partnership and/or company comprises the Purchaser, then all of the covenants, obligations and agreements of the Purchaser herein shall be deemed and construed to be the joint and several covenants, obligations and agreements of all the individuals, partnerships and companies comprising the Purchaser.

35. FINANCIAL INFORMATION

The Purchaser represents that the Purchaser is capable of obtaining the financing the Purchaser requires to enable the Purchaser to complete this transaction. The Purchaser hereby consents to the Vendor obtaining a consumer report containing credit and/or personal information for the purposes of this transaction. In addition, the Purchaser shall deliver to the Vendor, within 10 days of acceptance of this Agreement by the Vendor and thereafter within 14 days of demand from the Vendor or any agent thereof, all necessary financial and personal information required by the Vendor in order to evidence the Purchaser's ability to pay the balance of the Purchase Price on the Closing Date, including without limitation, written confirmation of the Purchaser's income and evidence of the source of the payments required to be made by the Purchaser in accordance with this Agreement and a mortgage commitment from one of the Schedule "1" chartered banks in Canada with respect to this transaction of purchase and sale, all of the foregoing to be satisfactory to the Vendor in its sole, absolute, subjective and unfettered discretion. Any failure by the Purchaser to comply with the provisions of this paragraph shall constitute a default by the Purchaser, pursuant to which the Vendor shall have the right to terminate this Agreement and take forfeiture of the Purchaser's deposit in accordance with the provisions of this Agreement. In this regard, the Purchaser acknowledges and agrees that (a) the aforesaid information has been provided with the Purchaser's knowledge and consent that such information may be used by the Vendor, its consultants and its lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement and; (b) such information may remain on file by the Vendor for future reference.

36. PERSONAL INFORMATION

- (a) The Purchaser(s) consents to the Vendor collecting and possessing the Purchaser's "personal information" (as such term is defined in the Personal Information Protection and Electronic Documents Act 2000, c.5) obtained by the Vendor pursuant to and in connection with this Agreement. The Purchaser acknowledges and agrees that the aforesaid information has been provided to the Vendor with the Purchaser's knowledge and consent. In addition, the Purchaser(s) consents and agrees to the Vendor and/or the Vendor's solicitors, agents, consultants and sales representatives (collectively, including the Vendor, the "**Vendor Parties**") using, releasing, disclosing and/or retaining on file the Purchaser's personal information, including, without limitation, to: (i) a company or organization affiliated, associated or related to the Vendor, in order to provide the Purchaser with information relating to this Project and other projects of such entities; (ii) any provider of utilities, services and/or commodities to the Property (including, without limitation, gas, electricity, water, telephone, internet and other communication services, cable, heating, cooling, satellite t.v., appliances and/or property tax assessments) for the purpose of marketing, promoting and providing such utilities, services and/or commodities to the Property; (iii) the Vendor's consultants and lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement; (iv) the Vendor's sales agents and representatives for the purpose of using same for promotional and marketing purposes; (v) any trades/suppliers and/or sub-trades/suppliers, if retained by or on behalf of the Vendor (or are otherwise dealing with the Vendor), to facilitate the installation of and/or supply of finishings to the Dwelling; and (vi) the Canada Revenue Agency and all other governmental authorities as may be required by all applicable laws, statutes, regulations, bylaws, ordinances, orders, and the like.
- (b) The Purchaser consents to the Vendor Parties retaining the Purchaser's personal information through any type of files, servers and/or systems, including, without limitation, cloud-based servers and/or systems provided by third parties, and/or hardware data retention systems. The Vendor Parties do not represent or guarantee that its files, its servers and/or its systems, its hardware data retention systems and/or any cloud-based servers and/or software provided by third parties will be free from loss, corruption, attack, viruses, interference, hacking or other security intrusion and the Purchaser's name and personal information may be subject to such security intrusions and/or unauthorized disclosure. The Purchaser hereby irrevocably releases and forever discharges the Vendor Parties from all losses, actions, claims, demands, proceedings and all other matters relating to the such security intrusions and unauthorized disclosure and same may be pleaded as an estoppel or bar to any action, claim, demand or proceeding by the Purchaser in this

regard. The Vendor Parties may rely on this release notwithstanding that the Vendor Parties, other than the Vendor, are not parties to this Agreement.

37. ELECTRONIC COMMUNICATIONS

The federal government has enacted legislation that requires we obtain your consent to send you electronic communications, which may include correspondence, requests, announcements, update or other information that may be of interest to you.

By signing this Agreement you agree to receive electronic communications from the Vendor, as well as from our affiliated corporations and/or related entities. In addition, the Purchaser consents to receiving electronic commercial messages from the Vendor's trades, businesses, bodies or agencies which shall include but not be limited to (i) financial institutions or private lenders; (ii) insurance companies; (iii) any of the Vendor's trades or suppliers or any sub-trades and sub-suppliers; and (iv) providers of telephone, television, telecommunications, security and utility services.

You can withdraw your consent to receiving electronic communications at any time by contacting info@indesignhomes.ca.

38. ADVERTISING AND PROMOTIONAL MATERIALS

The Purchaser acknowledges and agrees that the Vendor shall have the right to use drawings, photographs, videos or other depictions of the Property (including without limitation, the interior and/or exterior of the Dwelling) and/or the Project or any components or features thereof in any promotional or advertising materials without notice to or consent from the Purchaser being required in any manner whatsoever.

39. ENTIRE AGREEMENT

This Agreement and all schedules referred to in this Agreement constitute the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject-matter of this Agreement and supersedes all prior or contemporaneous understandings or agreements or usage or course of dealings of the parties. Oral representations or warranties by the Vendor or its officers, directors, sales personnel, employees or agents prior to or at the time of entering into this Agreement or at any time thereafter shall not form part of nor shall they amend this Agreement. There is no oral and/or written representation, warranty, collateral agreement or condition affecting this Agreement or the Property, or supported hereby, except as set forth herein in writing. No reliance is placed by the Purchaser on any oral or written representations, opinions, advice or assertions of fact made by the Vendor or its officers, directors, sales personnel, employees or agents prior to or at the time of entering into this Agreement or at any time thereafter except as set forth herein in writing. Accordingly, there shall be no liability either in tort or contract, assessed in relation to such warranty, representation, opinion advice or assertion of fact except to the extent aforesaid. The Purchaser has not been induced to enter into this Agreement by, nor is the Purchaser relying on, any representation, understanding, agreement, commitment or warranty outside those expressly set forth in this Agreement. The Purchaser acknowledges that the new home industry is multi-faceted and complex and that while sales personnel or agents may be knowledgeable about most issues regarding the purchase and construction of a new home, they cannot be expected to know all aspects in detail. The Purchaser is encouraged to have this Agreement reviewed by the Purchaser's solicitor prior to signing same. The Purchaser acknowledges having read all paragraphs and schedules of this Agreement.

40. IRREVOCABLE

The Purchaser's offer to purchase the Property, as set out in this Agreement, is irrevocable by the Purchaser until one minute before midnight on the irrevocable date hereinbefore set out, after which time if not accepted, this Agreement shall be void and the deposit monies returned to the Purchaser, without interest. This transaction shall be completed on the Closing, on which date vacant possession of the Dwelling is to be given to the Purchaser.

41. ONE PURCHASER BINDS ALL PURCHASERS

In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and in the event that any one of the parties comprising the Purchaser executes any agreement, amendments, extension agreement, notice, colour or materials or upgrades selections charts or order forms or any other agreement, notice, acknowledgment or matter in respect of this Agreement or the Property, all of the parties comprising the Purchaser shall be bound by the document executed by the one party on behalf of the others and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may, but shall not be required, to obtain the signatures or execution of all parties comprising the Purchaser to any other documents as aforesaid.

42. RIGHT OF SURVIVORSHIP

Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed that if the Purchaser comprises more than one individual, then all individuals comprising the Purchaser shall be deemed and construed to have acquired the Property on joint account with right of survivorship, and accordingly should any of the individuals comprising of the Purchaser die before Closing and the completion of this Agreement, then the Vendor is hereby irrevocably authorized and directed to engross the Transfer/Deed in the name of the surviving individual(s) comprising the Purchaser, without requiring probate of the deceased individual's last will and testament (and regardless of the provisions of any last will and testament of the deceased individual comprising the Purchaser and/or any rules applicable on the Purchaser's intestacy), provided however that the surviving individual(s) comprising the Purchaser shall nevertheless be obliged to deliver to the Vendor's solicitor a notarial copy of the death certificate, or the funeral director's certificate, or other satisfactory proof of death of the deceased individual comprising the Purchaser, and shall also be obliged to execute and deliver, on or before Closing, the Vendor's standard form of indemnity pursuant to which the surviving individual(s) comprising the Purchaser shall jointly and severally indemnify and save the Vendor and its solicitors harmless from and against all costs, claims, damages and/or liabilities which either or both of them may suffer or incur as a result of transferring title to the Property to the surviving individual(s) exclusively (including any claims from any children, relatives or other heirs of the deceased individual comprising the Purchaser, or from any beneficiaries of the estate of the deceased individual comprising the Purchaser).

43. RETURN OF DEPOSITS

If the deposits paid hereunder are returned to the Purchaser due to the termination of this Agreement, the Purchaser acknowledges and agrees that the deposits shall be returned by cheque payable to the Purchaser and not payable to the payor(s) of any deposits if said payor(s) are different than the Purchaser. If the Purchaser is comprised of more than one entity or person, the Purchaser acknowledges and agrees that the aforementioned deposits shall be made payable to all entities and persons that comprise the Purchaser, as payees. The Purchaser acknowledges and agrees that said deposits shall be delivered to the Purchaser at the Purchaser's address in accordance with the Section entitled "Notice", above.

Draft

1. **Definitions.** In this Agreement (the "Agreement"), "you", "your" and "Customer" refer to the person renting the water heater (the "Water Heater") described herein. Where there is more than one person named, the same terms refer to all persons named and all obligations of the persons named above under this Agreement shall be joint refer to Arctic Home Services Inc. ("Arctic") and including each of their respective authorized personnel, representatives, contractors and assigns.
2. **Commitment.** Arctic's commitment to you is to service and repair the Water Heater with no service charges or parts replacement charges **except** in the following circumstances:
 - a) If you (or a third party not authorized by Arctic) modify, adjust, damage, service, repair, move or disconnect, the Water Heater;
 - b) if service or repairs to the Water Heater are necessary because the Water Heater was used for an unintended or unauthorized purpose, including non-residential purposes;
 - c) if the Water Heater requires de-liming, flushing or other repair due to the water conditions or the quality of the environment in which the Water Heater is situated. For greater certainty, Arctic will determine hard water conditions. In such situations, Arctic covers only diagnostic work;
 - d) where venting, piping, wiring, plumbing, ducting, and/or electric services requires cleaning, repair, replacement or installation, including to meet applicable laws or installations requirements;
 - e) where resetting is required due to FVIR "lock out" as described below under "Customer Advisory";
 - f) if you fail to maintain the Water Heater in accordance with the requirements set out below under "Customer Responsibilities – Safety";
 - g) for service charges or parts replacement related to the use of load control devices, peak saving, load timers and all other energy saving devices; or
 - h) if you fail to notify Arctic as described below under "Customer Responsibilities – Duty to Maintain".

Should you require assistance, Arctic's 24-Hours per day, 7 days per week emergency phone number will be provided on the Water Heater tank. For all billing related matters (including buyouts, moving/transfers, etc.) and to find the latest emergency phone number, if such should change, please visit Arctic's Website at: www.arctichomeservices.com

3. **Term.** The term of this Agreement for the rental of a Water Heater (the "Term") from Arctic commences on the date you agreed to this Agreement, which date shall be the date the Water Heater is installed, or, if you purchased the premises where the Water Heater is installed (the "Premises") after the Water Heater was installed, from the closing date for your agreement to purchase the Premises (the "Commencement Date"). The Term of the Water Heater rental ends if this Agreement is terminated by you or Arctic in accordance with its terms (which, for greater certainty, includes you exercising your buyout option in accordance with the terms of this Agreement or when the useful life of the Water Heater has ended. The useful life of the Water Heater ends when Arctic or its authorized service provider determines, having regard to the relevant factors, including without limitation, the age of the Water Heater and the cost of any repairs to be made to the Water Heater, that is no longer commercially reasonable to repair the Water Heater. For greater certainty, you do not have any right to subsequently request a different water heater than the one you rent from Arctic under this Agreement.

4. **Rental Equipment.** *The Purchaser acknowledges the WATER HEATER, is rental lease equipment and the Purchaser acknowledge the terms governing the lease/rental for the Equipment will be provided by the Vendor prior to closing and Purchaser may be required to execute a lease/rental document containing the terms prior to closing; and (i) the terms of the lease/rental may contain a buy-out option allowing the Purchaser to purchase the Equipment if desired. If any provider of the Equipment no longer rents the Equipment and if arrangements are not made with another supplier for the installation of the Equipment on a rental basis, then notwithstanding anything to the contrary in this Agreement, the Purchaser shall pay, as and adjustment on closing, the cost of the Equipment, such cost to be determined by statutory declaration sworn on the part of the Vendor.*

5. Customer Responsibilities. You, the customer, agree to the following:

- a) **Charges for Rental.** The rate on the date of this Agreement for your monthly rental charge is indicated below. You will be responsible for paying all rental charges (the "Payments") starting on the Commencement Date. Throughout the Term of your Agreement, Arctic reserves the right to increase the Payments on January 31st of each calendar year by a percentage of up to the percentage increase to CPI plus 2%, and you hereby acknowledge and agree to such increase being applied to your Payments. For the purposes of this Agreement, "CPI" means the All-items Consumer Price Index (not seasonally adjusted) for Ontario or the equivalent thereof, or any comparable successor index thereof, published by Statistics Canada in October in respect of the immediately preceding September to September period, or by any other equivalent or duly authorized department of the Government of Canada (for clarity, the Consumer Price Index in Canada is expressed in terms of 2002 = 100). Arctic will notify you of any such Payment increases in advance in bill inserts, by letter or by any method permitted by law.

- b) **Payment.** You are required to pay your charges billed under this Agreement when due. You agree to pay HST and any other taxes payable in connection with this Agreement. Your charges may be included on your utility bill, or Arctic reserves the right to bill you separately or through a service provider. Acceptable method of payment include pre-authorized payment. Should any payment be returned for non-sufficient funds ("NSF"), you agree to pay a NSF charge equal to the greater of \$35.00 and the actual bank charges incurred by us plus any amounts permitted by law, which in no event shall exceed the total charges incurred by us as a result of your default plus any related court costs and fees, per such returned payment. A late payment charge will apply to all overdue amounts on your bill, including applicable federal and provincial taxes. The rate for late payment charges is 1.5% per month or 18% per year (for effective rate of 19.56% per year). Your bill is due on the date indicated on the bill. If you are being billed through Enbridge, Arctic's charges will appear in the Other Companies section of your Enbridge Gas Distribution bill. These offers and claims are made by Arctic alone. Arctic is not owned by or affiliated with Enbridge Inc. or Enbridge Gas Distribution. You agree to with to Pre-Authorized Payment ("PAP") should Arctic discontinue the Enbridge Billing Service Option. The following terms will apply to your PAP: (a) you hereby authorize Arctic to debit the bank account on the cheque you delivered to us for all Payments required to be made under this Agreement; (b) you acknowledge that this PAP is personal; (c) you have certain recourse rights if any debits does not comply with this paragraph. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with the terms of this PAP agreement (To obtain more information on your recourse rights, contact your financial institution or visit www.cdnpay.ca); (d) you can obtain more information about your right to cancel (including a sample cancellation form) and about your recourse rights, form your financial institution or at www.cdnpay.ca; and (e) you hereby waive your right to receive pre-notification of the amount of the PAP and agree that you do not require advance notice of the amount of PAPs before a debit is processed.

- c) **Late Payment Charges on your Enbridge Gas Distribution Bill ("Enbridge Bill")** (applicable only if your charges are included in your Enbridge Bill). A late payment charge will apply to all overdue amounts on your Enbridge Bill, including applicable federal and provincial taxes. The late payment charge will be calculated and applied as approved by the Ontario Energy Board ("OEB"). The current OEB approved late payment rate is 1.5% per month or 18% per year (for an effective rate of 19.56% per year). Your Enbridge Bill is due when you receive it, which is considered to be three days after the bill date. If you do not pay your bill in full by the late payment effective date on the first page of your Enbridge Bill, a late payment charge equal to the late payment rate multiplied by a total of all unpaid charges will be added to your Enbridge bill.

- d) **Safety.** You agree to use the Water Heater in a safe and responsible manner. In particular, you will:
 - i. Maintain effective operation of any plumbing and pumping systems supplying water to the Water Heater;
 - ii. Ensure that the Water Heater is not confined in a location where it is difficult to service or remove or where there is inadequate ventilation;
 - iii. Provide Arctic and with access to the Water Heater whenever reasonably required for purposes of inspection, repair, maintenance, or removal;
 - iv. Ensure that no combustible, hazardous or flammable material are used or placed in the same room as, or near, the Water Heater;
 - v. Inspect the area around the Water Heater on a regular basis for any sign of water leakage;
 - vi. Contact Arctic for service if you see any sign of carbon or rust on the bottom or sides of the Water Heater or any signs of water leakage;
 - vii. Ensure that the Water Heater is located in an area with sufficient drainage in the vicinity, and that the drainage is open, unrestricted and effective;
 - viii. If the Water Heater is gas-fired, ensure that the vents and openings for combustion air are kept clear and clean and otherwise well-maintained and there is no adequate ventilation; and
 - ix. Not permit anyone who has not been authorized by Arctic or to service, repair, modify, alter, adjust, move or disconnect the Water Heater.

- e) **Access to Water Heater.** You will provide Arctic and with timely access to the Water Heater whenever required to perform its obligations or exercise its rights under this Agreement.
- f) **Duty to Maintain.** In the event that the Water Heater is gas-fired, you are required, as the user of the Water Heater, under law to ensure that is maintained in a safe operating condition [*Ontario Regulation 212/01 Section 15*].
- g) **Corporation as Customer.** In the event that the Customer is a corporation, it is duly incorporated and validly existing in good standing under the laws of the jurisdiction of incorporation, and that the Customer has the power to enter into this Agreement and all certificates and other documents required herein. This Agreement has been duly authorized by all necessary corporate action on the Customer's part, has been duly executed and delivered on the Customer's behalf by the Customer's proper officers duly authorized in that regard, and constitutes a legal, valid and binding agreement and is enforceable against the Customer in accordance with its terms.
- h) **Upholding Agreement.** The execution, delivery, observance and performance of this Agreement does not and will not result in a breach, constitute a default under, or contravene any provision of any agreement, indenture or other instrument to which the Customer is a party or by which the Customer or any of the Customer's property or assets may be bound or affected.
- i) **No Actions or Proceedings.** There are no actions, suits or proceedings pending or, to the best of the Customer's knowledge, threatened in any court or tribunal or before any competent authority against the Customer or any of the Customer's property or assets which, in the Customer's reasonable and bona fide opinion may have a material adverse effect on the Customer's financial condition or business.
- j) **Ownership, Credit and Security Interest.** You agree that:
- If more than one customer is named on the account, each of you is individually liable, and all of you are collectively liable, for all obligations imposed on you by this Agreement;
 - Arctic is the owner of the Water Heater and that title is not being transferred to you. The Water Heater does not become a fixture, and you will not tamper with any identification(s) or labels(s) identifying the Water Heater as rented equipment or that it is owned by Arctic;
 - Arctic may inquire about your credit history and, if necessary, use the personal information you have provided to do so. For greater certainty, you authorize any credit reporting agency to give Arctic credit or other personal information about you from time to time during the Term of this Agreement. You can withdraw this authorization at any time. If you do or if Arctic is not satisfied with the results of any credit check, Arctic may end this Agreement and the provisions of "Termination by Arctic" will apply;
 - You will promptly inform Arctic of any change in your: (i) mailing address at least 30 days in advance of such change; and/or (ii) if previously provided, bank account or credit card information promptly after such change is made;
 - This Agreement is binding upon and will ensure to your heirs, personal representatives, successors and permitted assigns; and
 - Arctic may register, at your expense, our interest in the Water Heater against you and/or against title to the Premises. To the extent permitted by law, you agree to waive any right to receive a copy of such registration and appoint Arctic as your lawful attorney for the purposes of doing any such registrations. You agree to keep the Water Heater free of all liens, security interest, mortgages and other claims.
6. **Use & Care Manual.** The Water Heater may be equipped with flammable vapour ignitions resistant ("FVIR") technology. Arctic encourages you to read the Water Heater Use & Care Manual provided to you upon or after installation of the Water Heater. Certain activities such as, without limitation, painting or using solvents could cause the FVIR technology to "lockout" the Water Heater causing it to no longer function until reset by a qualified service technician. Resetting the Water Heater caused by FVIR "lockout" is not covered by Arctic under this Agreement and, if applicable, you will be charged for both parts and labour at our then current rates.
7. **Sale of Premises.** If you sell or otherwise transfer the Premises, you are required to inform the transferee, at or before the effective date of the sale or transfer, of the existence of this Agreement and the rental Water Heater installed in the Premises. Arctic will allow the transferee to assume your rights and obligations under this Agreement, effective from the date of sale or transfer; as long as:
- you or your representative notify the transferee in the sale or transfer agreement that the Water Heater is rented and is subject to this Agreement;
 - you or your representative advise Arctic in advance of the transferee's name and the intended date of sale or transfer;
 - you or your representative advise Arctic in advance of the address and telephone number where you can be contacted after the date of sale or transfer;
 - the transferee agrees in writing or by conduct to assume your obligations under this Agreement; and
 - you have paid Arctic all amounts owing under this Agreement.

Unless and until these conditions are satisfied, or unless Arctic otherwise waives any of all of these conditions, which Arctic is under no obligation to do, you will remain responsible for the Water Heater rental and your obligations under this Agreement, including making all Payments. You hereby authorize Arctic to respond to information requests relating to your account made by or on behalf of the transferee.

8. Warranties & Liability.

- a) **Warranties.** Arctic make no representations, warranties or conditions as to performance of the Water Heater except for those which are given by statute and which you cannot waive and except any express warranties provided by the manufacturer of the Water Heater, except as provided below. Subject to you carrying-out your obligations under this Agreement (including those under "Customer Responsibilities") and subject to the limitations set out under "Liability", Arctic hereby warrants that the Water Heater will work and provide hot water for the Term of this Agreement, reasonable wear and tear excepted. Arctic are not the manufacturer of the Water Heater and makes no warranty or guarantee in respect of it, the supplier or the manufacturer of the Water Heater, including whether the Water Heater is suitable for you, except as provided above, any warranties or guarantees provided under applicable legislation are hereby excluded to the extent permitted by law.
- b) **Liability.** Except as otherwise expressly provided in this Agreement, Arctic will not be liable for any loss, damage or injury of any type (including as a result of water leakage or any electrical or natural gas related events) arising out of or related to this Agreement or caused or contributed to in any way by the supply, installation, use and/or operation of the Water Heater. Arctic and shall not be responsible for any indirect, incidental, special or consequential damages, even if reasonably foreseeable. If Arctic are unable to perform any of its obligations under this Agreement because of circumstances or events beyond its control, Arctic shall be excused from the performance of such obligations for the duration of such circumstances or events and shall not be liable to you for such failure to perform.
- c) **Indemnity.** You will indemnify Arctic from all claims, losses and costs that Arctic may suffer or pay or may be required to pay, including legal expenses, in connection with this Agreement, including its termination or enforcement, or the supply, use and/or operation of the Water Heater including any claims against Arctic for any injury or death to individuals or damage to property, including from your negligence or misuse of the Water Heater. This obligation survives the termination of this Agreement for any reason.
- d) **Insurance.** During the Term of this Agreement, you are responsible for any loss or damage to the Water Heater from any cause, whether or not insured, until all of your obligations under this Agreement have been fulfilled.
9. **Personal Information.** You authorize Arctic to collect and use personal information about you. You authorize Arctic to collect the personal information provided by you and to review information about your Arctic bill payments or, if you are billed by your gas utility, you authorize your gas utility (including Enbridge Bill) to provide Arctic with any charges and payment information. Other than to Arctic's authorized service providers and parties that will provide Arctic with credit information, Arctic shall not willingly share this information with third parties without your permission, other than a party to whom Arctic transfers, assigns, encumbers or otherwise disposes of this Agreement or the Water Heater.
10. **Events of Default.** An event of "Default" shall occur upon any of the following: (a) if you fail to make any Payment, or fail to pay any other amount under this Agreement on its due date; (b) if you remove or attempt to remove the Water Heater from the Premises herein described without our express written consent; (c) if you encumber or transfer ownership or sublet the Water Heater without our consent; (d) if you fail to observe any conditions of this Agreement; (e) if you become subject to bankruptcy, insolvency, receivership or similar proceeding under the *Bankruptcy and Insolvency Act, Companies' Creditors Arrangement Act, Winding Up Act* or similar legislation, either voluntarily or involuntarily, or if an encumbrancer takes possession of the Water Heater or a substantial part of your property; (f) if you allow any damage other than that caused by normal wear and tear

resulting from proper use of the Water Heater; (g) if you are in default under any other contract, agreement, or obligation, now existing or hereafter entered into with us or any assignee of ours; (h) if any representation or warranty made by you in connection with the entering into of this Agreement is untrue or incorrect; (i) if the Customer is a corporation, a change in the effective control occurs without Arctic's prior consent; or (j) if you transfer title to the Premises herein described without first purchasing the Water Heater, unless we have agreed in writing to the assumption of your obligations under this Agreement by the party acquiring title to the Premises.

11. **Termination by Arctic.** In the event of a Default, Arctic may terminate this Agreement and, in addition to any other right we may have at law or otherwise, may bill you for the applicable buyout price (the "**Buyout Price**") and on the other terms set out below under "Termination by You". You agree to pay the Buyout Price when invoiced by Arctic.
12. **Termination by You.** Your sole method of terminating this Agreement prior to the end of the useful life of the Water Heater is to purchase the Water Heater. You may purchase the Water Heater at any time for a Buyout Price that reflects, among other things, the unpaid cost of the Water Heater and related installation, finance and servicing costs, plus applicable provincial and governmental sales taxes. You may contact Arctic at any time to confirm the Buyout Price. You may exercise your buyout option by notifying Arctic in writing or by calling Arctic at any time. When you exercise the buyout option, you accept the Water Heater on an "as-is, where is" basis, subject to the balance of any transferable manufacturer's warranty, and you assume full responsibility for the Water Heater and its repair and maintenance. You also agree to pay the Buyout Price when invoiced by Arctic. Once payment has been received for the Buyout Price, and no other amounts are outstanding pursuant to this Agreement, this Agreement will come to an end for the Water Heater and, as set out more particularly below in the section called "End of this Agreement" you will have no further obligation to pay rent and Arctic will have no further obligation to you.
13. **End of this Agreement.** At the end of this Agreement:
 - a) **Rent.** You are not obligated to rent and Arctic is not obligated to supply replacement equipment (including a water heater), unless mutually agreed at the time in writing.
 - b) **Replacement.** Arctic is not responsible for replacing the Water Heater or re-connecting any ancillary or other equipment including without limitation venting, piping, plumbing, wiring, ducting and/or electrical services.
 - c) **Removal and Disposal.** If the Water Heater has reached the end of its useful life and Arctic is not installing a replacement Water Heater, you shall at such time own the Water Heater, and if you wish for Arctic to disconnect and/or dispose of the Water Heater, you must contact Arctic to make such arrangements. Arctic shall charge you in accordance with the then current fee schedules for removals and disposals.
 - d) **No Further Obligations.** You will have no further obligation to pay rent (other than rent owing prior to the end of this Agreement) and, subject to any statutorily mandated requirements, Arctic will have no further obligations of any kind or manner to you.
14. **Assignments.** Arctic may transfer, assign, encumber or otherwise dispose of all or any part of its interest in this Agreement and/or the Water Heater to another party at any time without notice to you and without your permission. To the extent permitted by law, you will not assert against Arctic any transferee any claims, defences, set-offs, deductions or counter-claims which you may now or in the future be entitled to assert against Arctic. Except as otherwise provided in this Agreement, you may not transfer, assign or encumber all or part of your interest in this Agreement or the Water Heater without Arctic's prior written consent.
15. **Force Majeure.** If Arctic is unable to perform any of its obligations under this Agreement because of circumstances or events beyond Arctic's control, Arctic shall be excused from the performance of such obligations for the duration of such circumstances or events and shall not be liable to the Customer for such failure to perform.
16. **Survival.** All of the Customer's obligations under this Agreement will survive the termination of this Agreement to the extent required for their full observance and performance.
17. **Waiver.** No waiver by Arctic of any default under this Agreement or any of Arctic's remedies will be effective unless in writing. Any such waiver is not a waiver by Arctic of any other later default, whether similar or not, or a waiver of Arctic's right to exercise Arctic's remedies in the future.
18. **Statutory Waiver.** The Customer waives its right to receive a copy of any financing statement registered by Arctic and of any related verification statement.
19. **Rights Cumulative.** All of Arctic's rights are cumulative and not alternative and may be exercised by us separately or together in any order or combination.
20. **Time.** Time is and shall remain of the essence of this Agreement.
21. **Headings.** The headings in this Agreement are for convenience only and will not affect the construction or interpretation of this Agreement.
22. **Further Assurances.** The Customer will do such acts and execute such documents as Arctic may require to give effect to this Agreement and to protect Arctic's rights hereunder.
23. **Provision.** If any provision of this Agreement or the application thereof to any person or circumstance is held to be invalid or unenforceable, such provision shall be severed and the remainder of this Agreement shall continue to remain in full force and effect subject to such modifications as may be necessary to carry out the provisions and intent of this Agreement.
24. **Governing Law.** This Agreement will be governed by and construed in accordance with the Laws of the Province of Ontario and federal laws of Canada, as applicable, and the Customer further agrees that all disputes arising in connection with this Agreement shall be determined exclusively by the courts in the Province of Ontario.
25. **Entire Agreement and Amendments.** You understand that this Agreement is the entire agreement between you and Arctic and supersedes all prior agreements, understandings or discussions, whether oral or written, and there are no warranties, representations or other agreements except as specifically set out in this Agreement. This Agreement may be amended from time to time by Arctic by notice in bill inserts, by letter or by any method permitted by law in which case you will have the option to not accept such amendment and retain this Agreement unchanged.

<p style="text-align: center;">Current Rental Rate: \$59.99</p> <p>Equipment Type: Rheem ProG50-50</p>	<p>Homeowner Name: _____</p> <p>Signature: _____</p> <p>Second Homeowner Name: (if applicable) _____</p> <p>Signature: _____</p> <p>Third Homeowner Name: (if applicable) _____</p> <p>Signature: _____</p>	
<p style="text-align: center;">Address:</p> <p>Municipal Address _____</p> <p>City _____ Zip/Postal Code _____</p>		<p style="text-align: center;">Date:</p> <p>_____</p>



BUYOUT SCHEDULE		Buyout Price	Price with HST
0 to 1 years	0-12 months	\$ 6,200.00	\$ 7,006.00
1 to 2 years	12-24 months	\$ 6,076.00	\$ 6,865.88
2 to 3 years	25-36 months	\$ 5,952.00	\$ 6,725.76
3 to 4 years	37-48 months	\$ 5,704.00	\$ 6,445.52
4 to 5 years	49-60 months	\$ 5,518.00	\$ 6,235.34
5 to 6 years	61-72 months	\$ 5,332.00	\$ 6,025.16
6 to 7 years	73-84 months	\$ 5,146.00	\$ 5,814.98
7 to 8 years	85-96 months	\$ 4,898.00	\$ 5,534.74
8 to 9 years	97-108 months	\$ 4,588.00	\$ 5,184.44
9 to 10 years	109-120 months	\$ 4,216.00	\$ 4,764.08
10 to 11 years	121-132 months	\$ 3,782.00	\$ 4,273.66
11 to 12 years	133-144 months	\$ 3,286.00	\$ 3,713.18
12 to 13 years	145-156 months	\$ 2,666.00	\$ 3,012.58
13 to 14 years	157-168 months	\$ 1,922.00	\$ 2,171.86
14 to 15 years	169-180 months	\$ 930.00	\$ 1,050.90
15 to 16 years	180-192 months	\$ 310.00	\$ 350.30
16 + years	193 months +	\$ 100.00	\$ 113.00

Draft

**Freehold Form
(Tentative Closing Date)**

Property Lot/Street

**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 Indesign Homes (Tralee) Inc.
Full Name(s)

PURCHASER _____
Full Name(s)

1. Critical Dates

The **First Tentative Closing Date**, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: Tentative 1

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: Tentative 2

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: Firm Closing

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: Outside Closing

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: Notice to Set 2nd
(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: Notice to Set Firm
(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: Terminate by Date

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

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

Acknowledged this ____ day of _____, 20____.

VENDOR: _____ PURCHASER: _____

Freehold Form (Tentative Closing Date)

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.

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**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.

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.

1. N.S.F. ADMINISTRATIVE FEE (if applicable)
Section 1(e) of Schedule "X"
\$500.00 plus Applicable Taxes
2. WIRING FEE (if wiring is permitted by Vendor)
Section 1(g) of Schedule "X"
\$150.00 plus Applicable Taxes per wire; \$150.00 plus Applicable Taxes if failure to use Vendor's solicitor's wiring form, per occurrence
3. VENDOR'S LEGAL FEES TO DELETE RESTRICTION PURSUANT TO SECTION 118 OF THE LAND TITLES ACT
Section 1(h) of Schedule "X"
\$275.00 and disbursements, plus Applicable Taxes
4. SECURITY DEPOSIT
Section 1(i) of Schedule "X"
\$5,000.00
5. BUILDING OR FOUNDATION SURVEY
Section 1(k) of Schedule "X"
\$500.00 plus Applicable Taxes
6. UTILITY / SERVICES FEES RE FAILURE TO SET UP ACCOUNT (if applicable)
Section 1(n) of Schedule "X"
\$500.00 plus Applicable Taxes, per month
7. RELEASE OF VENDOR'S LIEN (if applicable)
Section 1 of Schedule "X"
\$250.00 plus Applicable Taxes
8. RE-SCHEDULE INSPECTION (if applicable)
Section 5(b) of Schedule "X"
\$500.00 plus Applicable Taxes
9. HOMEOWNER SERVICE CALL (if applicable)
Section 9(g) of Schedule "X"
\$350.00 plus the cost of all materials utilized by the Vendor in making such repair, plus Applicable Taxes, per service call
10. LETTER / NOTICE TO PURCHASER FOR DEFAULT
Section 12 of Schedule "X"
\$500.00 plus disbursements and Applicable Taxes, for each letter or other form of notice
11. CANCELLATION OF APPOINTMENT RE: COLOURS OR MATERIAL SELECTION (if applicable)
Section 13(b) of Schedule "X"
\$500.00 plus Applicable Taxes
12. REGISTRATION OF DISCHARGES (if applicable)
Section 25 of Schedule "X"
\$450.00 plus Applicable Taxes
13. FAIL TO INFORM VENDOR OF CHANGE OF PURCHASER'S INFORMATION (if applicable)
Section 27(d) of Schedule "X"
\$250.00 plus Applicable Taxes
14. ELECTRONIC REGISTRATION SYSTEM FEE
Section 32(a) of Schedule "X"
\$250.00 plus Applicable Taxes

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.

1. PREPAID OR CURRENT EXPENSE, SUCH AS GAS, ELECTRICITY AND WATER EXPENSES; ANY EXPENSES, CHARGES OR COSTS TO BRING, PROVIDE, DELIVER AND/OR MAKE AVAILABLE SERVICES, SYSTEMS AND/OR UTILITIES TO THE PROPERTY AND/OR THE PROJECT AND/OR THE INSTALLATION OF METERS FOR ANY OF THE FOREGOING
Section 1(a) of Schedule "X"
2. TAXES, FUEL, WATER RATES, ASSESSMENT RATES & LOCAL IMPROVEMENT RATES
Section 1(b) of Schedule "X"
3. TRANSACTION LEVY SURCHARGE
Section 1(c) of Schedule "X"
4. ENROLMENT/REGULATORY FEES PAID TO GOVERNMENTAL AUTHORITY UNDER ONTARIO NEW HOME WARRANTIES PLAN ACT, NEW HOME CONSTRUCTION LICENSING ACT, 2017, TARION WARRANTY CORPORATION AND/OR HOME CONSTRUCTION REGULATORY AUTHORITY
Section 1(d) of Schedule "X"
5. ANY INCREASE BETWEEN THE DEVELOPMENT CHARGES AND EDUCATION DEVELOPMENT CHARGES ASSESSED AGAINST OR ATTRIBUTABLE TO THE PROPERTY FROM THE DATE OF EXECUTION OF THIS AGREEMENT BY THE PURCHASER AND THE AMOUNT ACTUALLY PAID FOR SAID DEVELOPMENT CHARGES AND EDUCATION DEVELOPMENT CHARGES
Section 1(f) of Schedule "X"
6. ANY OTHER OR NEW LEVIES, CHARGES, PAYMENTS, CONTRIBUTIONS, FEES, ASSESSMENTS, INCLUDING WITHOUT LIMITATION, PARKS LEVIES, CASH-IN-LIEU OF PARKLAND DEDICATION PAYMENTS, NEW DEVELOPMENT CHARGES, NEW EDUCATION DEVELOPMENT CHARGES, PUBLIC ART CONTRIBUTIONS, IMPOST CHARGES, AND/OR COMMUNITY BENEFIT CHARGES OR PAYMENTS (OR FAIR VALUE OF NON-CASH IN-KIND CONTRIBUTIONS) ASSESSED OR ATTRIBUTABLE TO THE PROPERTY BY CITY OF RICHMOND HILL OR REGIONAL MUNICIPALITY OF YORK, TRANSIT AUTHORITY, PUBLIC OR SEPARATE SCHOOL BOARD, CONSERVATION AUTHORITY OR OTHER AUTHORITY UNDER DEVELOPMENT CHARGES ACT, EDUCATION ACT, PLANNING ACT AND ANY EXISTING OR NEW LEGISLATION, BYLAW AND/OR POLICY OF A SIMILAR NATURE
Section 1(f) of Schedule "X"
7. FEE PAID BY VENDOR TO DELETE RESTRICTION PURSUANT TO SECTION 118 OF THE LAND TITLES ACT
Section 1(h) of Schedule "X"
8. SUM IN EXCESS OF SECURITY DEPOSIT (if applicable)
Section 1(i) of Schedule "X"

9. ESTHETIC ENHANCEMENTS SUCH AS BOULEVARD TREATMENTS OR IMPROVEMENTS, OR LANDSCAPING (INCLUDING TREE OR SHRUB PLANTING), OR ENTRANCE FEATURES, OR PRIVACY FENCING, LOT-LINE FENCING, CHAIN-LINK FENCING, CORNER LOT FENCING (OR OTHER FENCES/FENCING), OR RETAINING WALLS, OR DRIVEWAY ENHANCEMENTS, PATIO SLABS AND/OR ANY OTHER ITEM OF A SIMILAR NATURE IN THE PROJECT AND/OR IN THE VICINITY THEREOF
Section 1(j) of Schedule "X", capped to a maximum of \$1,000.00 plus Applicable Taxes
10. AIR-CONDITIONING UNIT FOR THE DWELLING, IF INSTALLED
\$6,500.00 plus Applicable Taxes
Section 1(l) of Schedule "X"
11. AMOUNTS WITH RESPECT TO RECYCLING CONTAINERS/BINS, RECYCLING PROGRAMS, FOOD/KITCHEN WASTE COLLECTION CONTAINERS/BINS, AND/OR FOOD/KITCHEN WASTE COLLECTION PROGRAMS
Section 1(m) of Schedule "X"
12. UTILITY / SERVICES FEES (if applicable)
Section 1(n) of Schedule "X"
13. ELECTRICITY FEES, COSTS OR CHARGES ETC. (if applicable)
Section 1(o) of Schedule "X"
14. WATER FEES, COSTS OR CHARGES ETC. (if applicable)
Section 1(p) of Schedule "X"
15. GAS SERVICES FEES, COSTS OR CHARGES ETC. (if applicable)
Section 1(q) of Schedule "X"
16. VENDOR'S LIEN FEES (if applicable)
Section 1 of Schedule "X"
17. COST TO RECTIFY DAMAGE OR ALTERATION TO ANY SUBDIVISION SERVICE / LIEN / REMOVAL OF ADDITIONS/IMPROVEMENTS / FORFEITURE OF SECURITY DEPOSIT / PAYMENT OF AMOUNT ABOVE SECURITY DEPOSIT AMOUNT (if applicable)
Section 2(b) of Schedule "X"
18. FORFEITURE OF SECURITY DEPOSIT IF CHANGES TO ELEVATIONS AND COLOURS ETC. / PAYMENT OF AMOUNT ABOVE SECURITY DEPOSIT AMOUNT (if applicable)
Section 2(e) of Schedule "X"
19. COST RE WALK-OUT BASEMENT, LOOK-OUT OR REAR DECK (if applicable)
Section 3(d) of Schedule "X"
20. EXTRAS/UPGRADES OR CHANGES (if applicable)
Section 3(g) of Schedule "X"
21. ALL AMOUNTS TO CORRECT AND REMEDY ALL DAMAGE CAUSED BY THE PURCHASER OR THOSE FOR WHOM THE PURCHASER IS IN LAW RESPONSIBLE TO ANY SERVICES INSTALLED WITHIN THE SUBDIVISION (if applicable)
Section 3(q) of Schedule "X"
22. HOT WATER HEATER AND RELATED EQUIPMENT; RENTAL OR PURCHASE (as applicable)
Section 4 of Schedule "X"
23. FEE RE: FAIL TO PROVIDE INFORMATION (if applicable)
Section 7(j) of Schedule "X"
24. PAYMENT OF HST REBATE (if applicable) AND PAYMENT OF ANY INCREASE TO HST (if applicable)
Sections 7(k) and 15 of Schedule "X"
25. COST FOR REPLACEMENT OF LAID SOD / DEDUCTION FROM SECURITY DEPOSIT (if applicable)
Section 9(c) of Schedule "X"
26. APPLIANCE INSTALLATION CHARGES (if applicable)
Section 9(k) of Schedule "X"
27. COSTS TO CORRECT DAMAGES CAUSED BY UNLAWFUL WORKS (if applicable)
Section 11(c) of Schedule "X"
28. DAMAGE, LOSS OR INJURY ARISING FROM ENTRY ONTO THE PROPERTY OR ANY PART OF THE SUBDIVISION PRIOR TO THE CLOSING DATE (if applicable)
Section 11(e) of Schedule "X"
29. COSTS, LOSSES AND DAMAGES ARISING OUT OF DEFAULT / INTEREST (if applicable)
Section 12 of Schedule "X"
30. REIMBURSEMENT OF VENDOR COSTS RE: ADVERSE IMPACTS TO VENDOR'S CONSTRUCTION SCHEDULE BY PURCHASER
Section 13(a) of Schedule "X"
31. UPGRADES (if applicable)
Section 13(g) of Schedule "X"
32. VENDOR'S FEES RE: CHANGES TO SELECTED COLOURS OR MATERIALS (if applicable)
Section 13(h) of Schedule "X"
33. COSTS & EXPENSES OF COURT ORDER TO DELETE AGREEMENT FROM TITLE (if applicable)
Section 17 of Schedule "X"
34. VENDOR'S LEGAL FEES AND DISBURSEMENTS RE: EXTENSIONS (if applicable)
Section 19(d) of Schedule "X"
35. VENDOR'S LEGAL FEES AND DISBURSEMENTS RE: NON-ELECTRONIC DOCUMENTATION/INFORMATION (if applicable)
Section 31(a) of Schedule "X"
36. EFTS FEES AND CHARGES (if applicable)
Section 31(b)(iii) of Schedule "X"

Note to Purchaser: capitalized headings herein are for descriptive purposes only – for more particulars, please refer to appropriate provisions of the Agreement of Purchase and Sale.

[anthony romanelli] e:\subdivision sales\indesign\indesign - rosabella - indesign homes (tralee) incl\comments - schedule b to addendum -rosabella - indesign homes (tralee) inc - final.docx

Warranty Information for New Freehold Homes

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

For more detailed information, visit [tarion.com](https://www.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 30-Day Form to Tarion. Damaged items are covered under the warranty if the damage was caused by the builder or their trades. There is more information about the PDI here: <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 \$60,000 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. Visit Tarion's website to learn more about your warranty coverage and the process for getting warranty assistance, as well as your rights, responsibilities, and obligations as a new homeowner.
2. Prepare for your pre-delivery inspection (PDI). Visit Tarion's website for helpful resources, including a PDI Checklist and educational videos.
3. Register for Tarion's **MyHome** right after you take possession. MyHome is an online tool you can use from your computer or mobile device that allows you to submit warranty claims and upload supporting documents directly to your builder and Tarion. It also alerts you to important dates and warranty timelines, allows you to receive official correspondence from Tarion electronically, and schedule an inspection with Tarion when you need assistance.

About Tarion

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

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

Draft

SCHEDULE "W"

WARNING CLAUSES AND NOTICE PROVISIONS

The Purchaser shall execute any and all acknowledgments and releases required by the relevant governmental authorities in accordance with the provisions of this Agreement. The Purchaser is hereby notified of the following warning and notice clauses and agrees to be bound by the terms set out below:

- (a) The Vendor reserves the right, notwithstanding the completion of the sale, to enter upon the Property for a period of 2 years after the completion of the sale or until the expiration of the guarantee period for the municipal services, whichever date is later, in order to carry out any lot grading and sodding within 30 days after receiving notice from the City of Richmond Hill. The Purchaser hereby acknowledges the right of the City of Richmond Hill to enter upon the Property for the aforementioned purpose in the event Tralee Development Inc. or the Vendor fails to do so.
- (b) The term "**Subdivision Agreement**", as used in in this subsection (b) means the agreement between Richmond Hill Centre Limited and The Corporation of the Town of Richmond Hill dated the 24th day of August, 1990, Notice of which was registered as Instrument No. LT699662 on September 20, 1990:
 - (i) No building permit may be applied for and no building permit will be issued except in compliance with Article 10 of the Subdivision Agreement;
 - (ii) That notwithstanding the sale of a lot or block, the Owner (as noted in the Subdivision Agreement) or the Town has the right to enter upon the lot or block for a period of 2 years after the date of sale or the expiration of the guarantee period for the services, whichever is later, in order to carry out any lot grading and sodding required to comply with the grading plan.
 - (iii) No trees may be removed from a lot except in conformance with the provisions of Section 4.08 of the Subdivision Agreement.
 - (iv) Grading of the lot shall be completed and maintained in accordance with Schedule "K" of the Subdivision Agreement.
- (c) Purchasers are advised that the Property is near a CN rail line. CN Rail may relocate or realign the CN Rail right-of-way / rail line, including relocation or realignment for the grade separation.
- (d) The term "**Subdivision Agreement**", as used in in this subsection (d) means the agreement between Tralee Development Inc. and The Corporation of the Town of Richmond Hill dated the 29th day of September, 2005, Notice of which was registered as Instrument No. YR739783 on November 29, 2005, as amended by the Amending Subdivision Agreement, dated the 22nd day of February, 2006, Notice of which was registered as Instrument No. YR785139 on March 3, 2006:
 - (i) No building permit may be applied for or issued except in compliance with Sections A.20, A.21, A.22, C.1 and C.2 of the Subdivision Agreement.
 - (ii) No building permit may be applied for or issued for any building other than a building permitted under the existing applicable zoning by-law or by-laws of the Town and until the plan indicating the proposed site of the building, its design and main floor elevation and its grading and sodding as set forth in Section A.21 of the Subdivision Agreement has been approved by the City of Richmond Hill. The said plan shall show the design and location of the building, driveways, parking spaces and landscaping;
 - (iii) No building may be occupied until a certificate of occupancy has been issued by the Chief Building Official, pursuant to Section C.6 of the Subdivision Agreement.
 - (iv) Notwithstanding the sale of a lot or block, Tralee Development Inc. and the City of Richmond Hill shall have the right to enter upon the lot or block for a period of 2 years after the date of sale or the expiration of the guarantee period for the municipal services, whichever is later, in order to carry out any lot grading and sodding required to comply with the grading plan;
 - (v) No dwelling unit may be used except in accordance with the existing applicable zoning by-law or by-laws of the City of Richmond Hill.
 - (vi) No trees may be removed from a lot except in conformance with the provisions of Section F.8 of the Subdivision Agreement.
 - (vii) The grading of the Property shall be completed and maintained in accordance with Section A.21 the Subdivision Agreement.

(viii) "RETAINING WALLS

PURCHASERS ARE ADVISED THAT WHERE RETAINING WALLS ARE SHOWN ON THE LOT GRADING PLAN ATTACHED AS SCHEDULE "K" TO THE SUBDIVISION AGREEMENT FOR THIS PLAN OR ON THE INDIVIDUAL LOT GRADING PLAN(S) FILED PURSUANT TO SECTION A.21 OF THE SUBDIVISION AGREEMENT, IT IS THE REQUIREMENT OF THE TOWN THAT SUCH RETAINING WALLS BE CONSTRUCTED ON PRIVATE PROPERTY AND THAT THEY BE MAINTAINED BY THE INDIVIDUAL OWNERS OF THE LOT(S). FURTHER, PURCHASERS ARE ADVISED THAT THE INDIVIDUAL LOT GRADING PLAN(S) FILED PURSUANT TO THE SAID SECTION A.21 MAY RESULT IN A CHANGE TO THE GRADING PLAN AND FEATURES SHOWN ON SCHEDULE "K" OF THE SUBDIVISION AGREEMENT. PURCHASERS SHOULD CONTACT THE TOWN ENGINEERING DEPARTMENT TO REVIEW THE APPROVED INDIVIDUAL LOT GRADING PLAN(S)."

(ix) "GRADING DETAILS

PURCHASERS ARE ADVISED THAT THE TOWN HAS RESERVED THE RIGHT TO AMEND THE PROVISIONS AND DETAILS SHOWN ON SCHEDULE "K" TO THE SUBDIVISION AGREEMENT FOR THIS PLAN BY EITHER AN AMENDMENT TO THE SUBDIVISION AGREEMENT (WHICH MAY OR MAY NOT BE REGISTERED ON TITLE) OR BY THE APPROVAL OF (OR AMENDMENT OF) THE INDIVIDUAL LOT GRADING PLAN(S) FILED PURSUANT TO SECTION A.21 OF THE SUBDIVISION AGREEMENT. PURCHASERS ARE FURTHER ADVISED THAT SUCH AMENDMENTS MAY RESULT IN ALTERATIONS TO ANY FEATURES SHOWN ON SCHEDULE 'K' OR THE ADDITION OF FEATURES NOT SHOWN ON SCHEDULE "K", INCLUDING BUT NOT LIMITED TO RETAINING WALLS. PURCHASERS ARE ADVISED TO CONSULT WITH THE CONSTRUCTION SECTION OF THE TOWN'S TRANSPORTATION AND WORKS DEPARTMENT TO ASCERTAIN THE DETAILS OF THE APPROVED GRADING FOR ANY INDIVIDUAL LOT AND ARE CAUTIONED NOT TO RELY SOLELY UPON THE PROVISIONS AND DETAILS SHOWN ON SCHEDULE "K".

(x) "COMMUNITY MAIL BOXES

NOTWITHSTANDING CURRENT OBJECTIONS OF THE TOWN OF RICHMOND HILL TO THIS POLICY, IT IS LIKELY THAT THERE WILL BE NO DOOR-TO-DOOR MAIL DELIVERY. PURCHASERS ARE ADVISED THAT CANADA POST CORPORATION INTENDS TO SERVICE THIS PROPERTY THROUGH THE USE OF COMMUNITY MAIL BOXES OR GROUP BOXES AND DOES NOT INTEND TO IMPLEMENT DOOR-TO-DOOR MAIL DELIVERY TO IT IN THE FUTURE."

(xi) "PUBLIC TRANSIT SYSTEM

THE TOWN OF RICHMOND HILL IS COMMITTED TO PROVIDING AN EXTENSIVE PUBLIC TRANSIT SYSTEM WITHIN THE TOWN. IT IS POSSIBLE THAT A PUBLIC TRANSIT ROUTE WILL BE ESTABLISHED THROUGH THIS SUBDIVISION OR PART OF IT IN THE FUTURE. THE TOWN RESERVES THE RIGHT TO INTRODUCE A BUS ROUTE ON ANY STREET IN ORDER TO REACH THE GOAL OF PROVIDING AN EXTENSIVE TRANSIT SYSTEM."

(xii) "PLACEMENT OF OBJECTS WITHIN PUBLIC HIGHWAYS

PURCHASERS ARE ADVISED THAT THEY ARE NOT PERMITTED TO PLACE, OR PERMIT TO BE PLACED, ANY FENCE, TREE, SHRUB, BUSH, HEDGE, LANDSCAPE BERM, SIGNBOARD OR OTHER OBJECT WITHIN A PUBLIC HIGHWAY OR WITHIN THE LANDS LAID OUT ON THE PLAN FOR A PUBLIC HIGHWAY, WHETHER OR NOT SUCH LANDS ACTUALLY CONTAIN A PAVED PORTION OF A PUBLIC HIGHWAY. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PURCHASERS ARE ADVISED THAT NO DRIVEWAY CURB OR PILLAR MAY BE PLACED WITHIN A PUBLIC HIGHWAY OR WITHIN THE LANDS LAID OUT ON THE PLAN FOR A PUBLIC HIGHWAY, WHETHER OR NOT SUCH LANDS ACTUALLY CONTAIN A PAVED PORTION OF A PUBLIC HIGHWAY AND NO DRIVEWAY PLACED WITHIN SUCH LANDS SHALL BE CONSTRUCTED OR ALTERED SO AS TO INTERFERE WITH THE OPERATION OF ANY MUNICIPAL SERVICE, SUCH AS SNOW REMOVAL EQUIPMENT."

(xiii) "RIGHT OF ENTRY

THE PURCHASER ARE HEREBY ADVISED THAT SECTION A.21 OF THE SUBDIVISION AGREEMENT PROVIDES THAT THE TOWN SHALL HAVE THE RIGHT TO ENTER UPON THE LANDS IN ORDER TO CARRY OUT LOT GRADING IN ACCORDANCE WITH THAT SECTION."

(xiv) "LOT GRADING SECURITY

PURCHASERS ARE ADVISED THAT THE LOT GRADING SECURITY DELIVERED TO THE TOWN PURSUANT TO THE SUBDIVISION AGREEMENT IS ASSURANCE FOR THE SOLE BENEFIT OF THE TOWN THAT THE DEVELOPER WILL COMPLY WITH THE REQUIREMENTS FOR LOT GRADING TO THE SATISFACTION OF THE TOWN. IT IS IN THE NATURE OF A DIRECT RELATIONSHIP BETWEEN THE TOWN AND THE FINANCIAL INSTITUTION ISSUING THE SECURITY AND MAY BE REALIZED UPON BY THE TOWN ONLY IN ACCORDANCE WITH AND FOR THE PURPOSES SET OUT IN THE SUBDIVISION AGREEMENT. IF THE PURCHASER PAYS THE DEVELOPER OR ANY OTHER PARTY ANY AMOUNT TO SECURE OR REIMBURSE THE DEVELOPER OR ANY SUCH OTHER PARTY FOR THE LOT GRADING SECURITY THE RECOVERY OF THAT SECURITY FROM THE DEVELOPER (OR OTHER THIRD PARTY) IS A PRIVATE MATTER BETWEEN THE PURCHASER AND THE PAYEE. THE TOWN WILL NOT BE ABLE TO REALIZE UPON THE SECURITY TO REIMBURSE THE PURCHASER UNDER ANY CIRCUMSTANCES."

(xv) "IMPORTANT NOTICE TO PURCHASERS

AN APPLICATION HAS BEEN MADE FOR THIS PROJECT AND ALL APPROVALS REQUIRED FOR THE ISSUANCE OF BUILDING PERMITS FOR THIS PROJECT MAY NOT HAVE BEEN GRANTED. FOR FURTHER INFORMATION, CALL THE TOWN OF RICHMOND HILL PLANNING DEPARTMENT AT 771-8910, FILE 19T-93025(B) PHASE 6."

(xvi) "PLACEMENT OF MATERIAL WITHIN LANDS FOR PARKLAND, OPEN SPACE AND VALLEYLANDS AND RECREATIONAL LANDS

PURCHASERS ARE ADVISED THAT THEY ARE NOT PERMITTED TO PLACE, OR PERMIT TO BE PLACED, ANY DEBRIS, JUNK, ROCKS, STUMPS, TREES, SHRUB, BUSH, HEDGE, LANDSCAPE BERM OR FILL OF ANY KIND OR OTHER OBJECT WITHIN LANDS TO BE CONVEYED TO THE TOWN OF RICHMOND HILL FOR PARKLAND OR OTHER RECREATIONAL PURPOSES OR FOR OPEN SPACE OR VALLEYLANDS OR WITHIN THE LANDS LAID OUT ON THE PLAN FOR SUCH PURPOSES.

PURCHASERS ARE FURTHER ADVISED THAT THEY ARE NOT PERMITTED TO PLACE, OR PERMIT TO BE PLACED, A GATE IN ANY FENCE ERECTED ON SUCH LANDS AND THAT THEY SHALL NOT HAVE DIRECT ACCESS FROM THEIR OWN PROPERTY TO SUCH LANDS.

PURCHASERS ARE FURTHER ADVISED THAT THEY ARE NOT PERMITTED TO CAUSE OR ALLOW TO BE UNDERTAKEN ON ANY SUCH LANDS ANY ACTIVITY OTHER THAN PERMITTED BY THE TOWN IN ACCORDANCE WITH ITS BY-LAWS AND/OR PRACTICES WITHOUT THE EXPRESS PERMISSION OF THE COMMISSIONER OF PARKS, RECREATION AND CULTURE OF THE TOWN."

(xvii) "STREET TREES

PURCHASERS ARE ADVISED THAT WHILE THE TOWN HAS IMPOSED A CHARGE FOR TREE PLANTING BASED UPON THE NUMBER OF RESIDENTIAL UNITS WITHIN THE PLAN(S), THERE IS NO GUARANTEE OR REPRESENTATION THAT A TREE WILL BE PLACED ON THE UNTRAVELLED PORTION OF THE PUBLIC HIGHWAY IN FRONT OF THE RESIDENTIAL UNIT THE PURCHASERS ARE BUYING. THE USE OF THE NUMBER OF RESIDENTIAL UNITS IS SOLELY A METHOD OF CALCULATING THE CHARGE. IF THE PURCHASER PAYS THE DEVELOPER OR ANY OTHER PARTY ANY AMOUNT FOR TREE PLANTING OR STREET TREES, THAT IS A PRIVATE MATTER BETWEEN THE PURCHASER AND THE PAYEE. THE TOWN IS NOT OBLIGATED IN ANY MANNER WHATSOEVER TO PLANT A TREE IN FRONT OF ANY PARTICULAR RESIDENTIAL UNIT."

(xviii) "PARK DEVELOPMENT

PURCHASERS ARE ADVISED THAT COMMUNITY USES ARE INTENDED FOR THE PARKLAND IN THE VICINITY OF THE PROPERTY AND THAT SUCH USES MAY RESULT IN INCREASED TRAFFIC ON THE STREETS ADJACENT TO OR IN THE VICINITY OF THE PROPERTY. PURCHASERS ARE FURTHER ADVISED THAT THE PROPERTY MAY BE AFFECTED BY NOISE AND LIGHTING FROM THE PARKLAND WHICH MAY INTERFERE WITH SOME ACTIVITIES OF THE BUILDING OCCUPANTS."

(xix) "VALLEYLAND AND OPEN SPACE DEVELOPMENT

PURCHASERS ARE ADVISED THAT THE TOWN OF RICHMOND HILL INTENDS TO INSTALL TRAILS FOR RECREATIONAL USE IN LANDS TAKEN BY THE TOWN AND/OR THE TORONTO AND REGION CONSERVATION AUTHORITY FOR VALLEYLANDS AND OPEN SPACE, WHETHER WITHIN, ADJACENT TO OR IN THE VICINITY OF THE PLAN, THAT SUCH TRAILS MAY BE SITUATED WITHIN THOSE LANDS IN LOCATIONS ADJACENT TO OR IN THE VICINITY OF RESIDENTIAL LOTS AND THAT SUCH USES MAY RESULT IN INCREASED PEDESTRIAN AND NON-MOTORIZED VEHICULAR USE OF THOSE TYPES OF PUBLIC LANDS ADJACENT TO OR IN THE VICINITY OF THE PROPERTY."

(xx) "RECREATIONAL TRAIL SYSTEM

PURCHASERS ARE ADVISED THAT THE TOWN INTENDS TO INSTALL OR HAVE INSTALLED ONE OR MORE TRAIL SYSTEMS WITHIN LANDS TAKEN BY THE TOWN AND/OR OTHER PUBLIC BODY FOR OPEN SPACE OR VALLEYLAND PURPOSES IN THE VICINITY OF THE PROPERTY AND THAT SUCH USE MAY RESULT IN PEDESTRIAN TRAFFIC ON THOSE LANDS ADJACENT TO OR IN THE VICINITY OF THE PROPERTY."

(xxi) "ENCROACHMENTS

PURCHASERS ARE ADVISED THAT ENCROACHMENTS OF ANY KIND ARE NOT PERMITTED ON TO ADJACENT ENVIRONMENTAL LANDS, OPEN SPACE, PARK, STORMWATER, VALLEYLAND, WATER COURSES OR CHANNELS."

(xxii) "NOTICE TO PURCHASERS - NOISE

PURCHASERS ARE ADVISED THAT DESPITE THE INCLUSION OF NOISE CONTROL FEATURES WITHIN THE DEVELOPMENT AREA AND WITHIN THE INDIVIDUAL BUILDING UNITS, NOISE LEVELS MAY CONTINUE TO BE OF CONCERN, OCCASIONALLY INTERFERING WITH SOME ACTIVITIES OF THE BUILDING OCCUPANTS."

(xxiii) "NOTICE TO PURCHASERS - ENGINEERED FILL OR SPECIAL BUILDING TECHNIQUES

PURCHASERS ARE ADVISED THAT THE PROPERTY MAY HAVE RECEIVED OR MAY RECEIVE ENGINEERED FILL. PURCHASERS ARE FURTHER ADVISED THAT UNLESS THE PROPERTY HAS RECEIVED OR WILL RECEIVE SUCH ENGINEERED FILL, IT MAY REQUIRE SPECIAL BUILDING TECHNIQUES FOR THE FOUNDATION AND/OR SUPERSTRUCTURE OF THE BUILDING(S) ON THE PROPERTY. PURCHASERS ARE FURTHER ADVISED THAT, IN ANY EVENT, SPECIAL BUILDING TECHNIQUES MAY BE REQUIRED TO PROVIDE SUPPORT FOR ANY OTHER STRUCTURES BUILT ON THE PROPERTY, INCLUDING SUCH STRUCTURES AS SWIMMING POOLS AND DECKS."

(xxiv) For Parts 11 to 40 (both inclusive), Parts 44 to 47 (both inclusive) on Plan 65R-41107:

"NOTICE TO PURCHASERS - SUMP PUMPS

PURCHASERS ARE ADVISED THAT AS A RESULT OF THE SHALLOW DEPTH OF THE STORM SEWERS SERVICING THE LANDS WITHIN THE PLAN AND IN THE VICINITY OF THE PLAN, EACH DWELLING UNIT HAS BEEN EQUIPPED WITH AN ELECTRICAL SUMP PUMP. THE PURCHASERS ACKNOWLEDGE THAT MAINTENANCE OF THE SUMP PUMP IS AND SHALL REMAIN THE SOLE RESPONSIBILITY OF THE OWNER OF THE DWELLING UNIT FROM TIME TO TIME. THE PURCHASERS ACKNOWLEDGE THAT THE CORPORATION OF THE TOWN OF RICHMOND HILL SHALL NOT BE LIABLE FOR ANY DAMAGES, LOSSES OR COSTS INCURRED IN ANY MANNER WHATSOEVER IN THE EVENT OF FAILURE TO INSTALL SUCH SUMP PUMP, THE REMOVAL OF SUCH SUMP PUMP, THE FAILURE OR INADEQUACY OF SUCH SUMP PUMP, THE FAILURE TO MAINTAIN SUCH SUMP PUMP AND THE FAILURE OF SUCH SUMP PUMP TO PREVENT WATER OR MOISTURE FROM ENTERING OR COLLECTING WITHIN THE DWELLING UNIT FOR ANY REASON WHATSOEVER."

(xxv) "NOTICE - ALLOCATED SEWAGE CAPACITY

"PURCHASERS ARE ADVISED THAT THE TOWN OF RICHMOND HILL HAS NOT ALLOCATED SEWAGE CAPACITY FOR ALL OF THE LOTS OR BLOCKS ON THE PLAN OF SUBDIVISION. UNTIL SUCH TIME AS COUNCIL FOR THE TOWN OF RICHMOND HILL HAS, BY RESOLUTION, CONFIRMED AVAILABILITY OF SEWAGE CAPACITY AND ASSIGNED SUCH SEWAGE CAPACITY FOR ALL OF THE LOTS AND BLOCKS ON THE PLAN OF SUBDIVISION ZONED FOR THE CONSTRUCTION OF RESIDENTIAL DWELLING UNITS, CERTAIN LOTS AND BLOCKS ON THE PLAN MAY NOT BE ELIGIBLE FOR A BUILDING PERMIT. ALLOCATION OF SEWAGE CAPACITY IS AND WILL BE SUBJECT TO THE POLICIES ADOPTED BY THE COUNCIL OF THE TOWN FROM TIME TO TIME; ONE OF THOSE POLICIES IS THAT SUCH ALLOCATION MAY BE REVOKED IF THE ASSIGNED CAPACITY IS NOT UTILIZED WITHIN TWO YEARS FROM THE DATE OF ALLOCATION. FOR FURTHER INFORMATION, PLEASE CONTACT, THE TOWN OF RICHMOND HILL ENGINEERING AND PUBLIC WORKS DEPARTMENT AT 771-8800, FILE 19T-93025(B), PHASE 6"

- (xxvi) The Vendor requires that the Purchaser include the notices set out above at (viii) to (xxv) of this subsection (b) of Schedule "W" in subsequent agreements of purchase and sale for the Property and the Purchaser hereby agrees and undertakes to include same. The aforementioned obligation of the Purchaser shall survive the closing of the herein transaction.
- (e) The development charges with respect to the dwellings imposed by the City of Richmond Hill and the Regional Municipality of York as at February 1, 2025, are \$137,453.00 for townhome dwellings and \$165,378.00 for semi-detached dwellings, which charges are subject to change by the City of Richmond Hill and the Regional Municipality of York.
- (f) "Warning: Canadian National Railway Company or its assigns or successors in interest has or have a right-of-way within 300 metres from the land the subject hereof. There may be alterations to or expansions of the railway facilities on such right-of-way in the future including the possibility that the railway or its assigns or successors as aforesaid may expand its operations, which expansion may affect the living environment of the residents in the vicinity, notwithstanding the inclusion of any noise and vibration attenuating measures in the design of the development and individual dwelling(s). CNR will not be responsible for any complaints or claims arising from use of such facilities and/or operations on, over or under the aforesaid right-of-way."
- (g) Any safety berms, fencing and vibration isolation measures implemented are not to be tampered with or altered and further the Purchaser shall have sole responsibility for and shall maintain these measures to the satisfaction of CN Rail.
- (h) Those respective portions of the retaining wall located within the boundaries of, or upon the property lines of, the dwelling lots described as Parts 2, 3 and 4, Parts 5, 6 and 7, Parts 8, 9, 10, 42 and 43, Parts 11, 12 and 13, Parts 14, 15, 16 and 44, Parts 17, 18 and 19, Parts 20, 21 and 22, Parts 23, 24, 25 and 45, Parts 26, 27 and 28, Parts 29, 30, 31 and 46, Parts 32, 33 and 34, Parts 35, 36 and 37 and Part 38, 39, 40 and 47 within Plan 65R-41107 shall be maintained, repaired and replaced by the owners of the corresponding dwelling lots.
- (i) Purchasers are hereby notified that Parts 4, 7, 10, 13, 16, 19, 22, 25, 28, 31, 34, 37 and 40 are subject to an easement as set out in Instrument No. LT722443 and that said easement will impact the use of the rear yards of the dwelling lots described as Parts 2, 3 and 4, Parts 5, 6 and 7, Parts 8, 9, 10, 42 and 43, Parts 11, 12 and 13, Parts 14, 15, 16 and 44, Parts 17, 18 and 19, Parts 20, 21 and 22, Parts 23, 24, 25 and 45, Parts 26, 27 and 28, Parts 29, 30, 31 and 46, Parts 32, 33 and 34, Parts 35, 36 and 37 and Part 38, 39, 40 and 47 within Plan 65R-41107. Purchasers hereby acknowledge this easement and accept title to the properties affected by the easement and will make no claims whatsoever against the Vendor with respect to same.
- (j) Purchasers are hereby notified that Parts 3, 6, 9, 12, 15, 18, 21, 24, 27, 30, 33, 36, 39 and 43 are subject to an easement as set out in Instrument No. RH73521 and that said easement will impact the use of the rear yards of the dwelling lots described as Parts 2, 3 and 4, Parts 5, 6 and 7, Parts 8, 9, 10, 42 and 43, Parts 11, 12 and 13, Parts 14, 15, 16 and 44, Parts 17, 18 and 19, Parts 20, 21 and 22, Parts 23, 24, 25 and 45, Parts 26, 27 and 28, Parts 29, 30, 31 and 46, Parts 32, 33 and 34, Parts 35, 36 and 37 and Part 38, 39, 40 and 47 within Plan 65R-41107. Purchasers hereby acknowledge this easement and accept title to the properties affected by the easement and will make no claims whatsoever against the Vendor with respect to same.

Date: _____, 202__

Purchaser Signature: _____

Purchaser Signature: _____

SCHEDULE "N-C"
NON-CANADIAN PURCHASERS

Purchaser: All Purchasers Property: Lot/Street

Vendor: Indesign Homes (Tralee) Inc.

- (a) The Purchaser hereby covenants, warrants and represents to the Vendor that: the Purchaser has executed this Agreement of Purchase and Sale (and this Schedule) entirely voluntarily; the Purchaser has no obligation to execute this Agreement of Purchase and Sale (including this Schedule); the Purchaser has had the opportunity to obtain legal advice prior to executing this Agreement of Purchase and Sale (including this Schedule).
- (b) The Purchaser hereby covenants, warrants and represents to the Vendor that it is aware of, and understands, the provisions contained in the *Prohibition on the Purchase of Residential Property by Non-Canadians Act* and all regulations thereto (*Prohibition on the Purchase of Residential Property by Non-Canadians Act* and all regulations thereto, as may be amended from time to time, are herein collectively referred to as the "**PRPNC Act**").
- (c) The Purchaser covenants, warrants and represents to the Vendor that the Purchaser is not a non-Canadian as defined by the PRPNC Act, or if the Purchaser is a non-Canadian, that the Purchaser qualifies for an exception as set out in the PRPNC Act (an "**Exception**") from the prohibition as set out in the PRPNC Act (the "**Prohibition**").
- (d) If, on or before the Closing Date, the Purchaser is a Non-Canadian (and does not qualify for an Exception from the Prohibition), same shall constitute a breach under this Agreement of Purchase and Sale which shall, at the Vendor's sole option, entitle the Vendor to terminate this Agreement and retain the deposit monies and all other monies paid pursuant to this Agreement of Purchase and Sale as liquidated damages and not as penalty in addition to and without prejudice to any other remedy available to the Vendor arising out of such default and the Purchaser shall have no further right to or interest in the Property.
- (e) The Purchaser hereby indemnifies and saves harmless the Vendor and all corporations and partnerships related, affiliated or associated therewith, and their respective directors, officers, partners, employees and agents, and their legal personal representatives, successors or assigns of each, from and against all loss, liability, claims, demands, damages, costs and expenses which may be made or brought against any of them, or which they may sustain by reason of the Purchaser being a non-Canadian or not qualifying for an Exception from the Prohibition in accordance with the PRPNC Act or the Purchaser's breach of the terms hereof.
- (f) The Purchaser shall within ten (10) days of request by the Vendor provide such written evidence and confirmation as required by the Vendor from time to time that Purchaser is not a non-Canadian or that the Purchaser qualifies for an Exception to the Prohibition in accordance with the PRPNC Act.
- (g) On the Closing Date, the Purchaser shall cause the Purchaser's solicitor to deliver to the Vendor's solicitor such documentation as the Vendor may request to confirm that the covenants, warranties and representations contained herein were true and accurate as at the date the Purchaser executed this Agreement of Purchase and Sale (and this Schedule) and continued to be true and accurate up to and including the Closing Date.

DATED this _____, 20____.

Witness:

Signature of Purchaser

Witness:

Signature of Purchaser

AGREEMENT RE: CONSENT TO ASSIGNMENT

ROSABELLA

BETWEEN: INDESIGN HOMES (TRALEE) INC. (the "Vendor") - and -

Full Name _____ Full Name _____ (the "Purchaser")

Dwelling: Lot # _____, Address: _____ (the "Property")

DATE OF AGREEMENT OF PURCHASE AND SALE: _____

NOW THEREFORE THIS AMENDMENT WITNESSETH that in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration and the sum of TWO (\$2.00) DOLLARS of lawful money now paid by each party hereto to the other (the receipt and sufficiency of which is hereby acknowledged by all parties), the parties hereto hereby covenant and agree to and with each other and each of them that the above-mentioned Agreement of Purchase and Sale shall be amended as follows, and except for such amendment(s) noted below, all other terms and conditions of the Agreement of Purchase and Sale shall remain as stated therein, and time shall continue to be of the essence.

1. Provided that the Purchaser has not at any time been in default under the terms of the Agreement of Purchase and Sale, the original Purchaser named on the front page of the Agreement of Purchase and Sale shall be entitled, on a one-time basis only, to assign the Purchaser's interest in the Agreement of Purchase and Sale prior to the Purchaser's acquisition of title to the Property on the Closing Date upon the occurrence of all of the following:
 - (a) the Purchaser obtaining the written consent of the Vendor to such assignment, which consent will not be unreasonably withheld once the Vendor determines that 85% of all dwellings in the Project (as such term is defined in the Agreement of Purchase and Sale) are sold and that the agreements of purchase and sale in respect of such dwellings are firm and binding, which determination shall be made by the Vendor in its sole, absolute, subjective and unfettered discretion;
 - (b) the Purchaser makes its written request to the Vendor for the Vendor's written consent to the assignment no later than 30 days prior to said original Closing Date;
 - (c) the Purchaser, as assignor/transferor, and the assignee/transferee shall have executed and delivered to the Vendor, the Vendor's standard form of assignment agreement and paid to the Vendor (by certified cheque) on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of \$20,000.00 plus Applicable Taxes together with any other applicable fees, including the Vendor's solicitor's fees and disbursements of \$1,250.00 plus Applicable Taxes. Further, said form of assignment agreement shall stipulate that an amount equivalent to the Rebate (as such term is defined in the Agreement of Purchase and Sale) shall be paid as an adjustment on the Closing Date (because the assignee is deemed to be ineligible to assign the Rebate to the Vendor on the Closing Date);
 - (d) the Purchaser paying all deposits payable under the Agreement of Purchase and Sale (if the Purchaser has not yet paid same) regardless of whether such deposits are due and payable at a future date, the payment of same to be made by delivering to the Vendor a certified cheque for said deposits payable to the Vendor;
 - (e) the assignee/transferee providing the Vendor with such financial information as may be required by the Vendor (and/or the Vendor's mortgagee) in order to evidence the assignee/transferee's ability to pay the balance of the Purchase Price on the Closing Date;
 - (f) the Vendor obtaining the written consent or approval from any lending institution or mortgagee providing any financing to the Vendor, construction or otherwise, for the development and construction of the Project, in the event such consent or approval is required to be obtained by the Vendor as a condition for the advance or continued advances of any funds in respect of such financing;
 - (g) the Vendor satisfying itself, in its sole, absolute, subjective and unfettered discretion, that the Purchaser's interest in the Agreement of Purchase and Sale shall not be sold, transferred, assigned or otherwise conveyed to the assignee/transferee for a price or value that could be interpreted by the Vendor, in its sole, absolute, subjective and unfettered discretion, as trading, selling, marketing, listing and/or conveying the Property for a price or value that is below the amount that is the greater of: (i) the Purchase Price noted on the front page of the Agreement of Purchase and Sale; and (ii) the Vendor's sale price (at the time of the Purchaser's assignment request pursuant to Section 1(b)) for dwellings of a size and model type that are similar to the Property within the Project.

Schedule “Proposed Rebate”

1. In July of 2010, the Ontario government enacted legislation to provide a rebate of a part of the provincial portion of the HST charged on the purchase of newly-constructed or substantially-renovated homes to qualifying purchasers (the “**Existing Provincial HST Rebate**”).
2. The Federal government has enacted legislation to provide a rebate of the GST (or federal portion of the HST) for first time home buyers of new homes with a purchase price under \$1,500,000.00 (the “**Federal FT HB Rebate**”).
3. The Ontario government has announced similar legislation to provide a rebate of the provincial portion of the HST for first time home buyers of new homes with a purchase price under \$1,500,000.00 (the “**Provincial FT HB Rebate**”).
4. On March 25, 2026, the Ontario government also announced a proposed expansion of the Existing Provincial HST Rebate for newly-constructed or substantially-renovated homes (the “**Proposed Rebate**”) purchased pursuant to agreements of purchase and sale signed between April 1, 2026 and March 31, 2027.
5. The Purchaser and the Vendor acknowledge, accept and agree that, notwithstanding any provisions of this Agreement to the contrary and, without limiting the foregoing, despite any provision in this Agreement that indicates that the Purchase Price includes any portion of the HST payable thereon:
 - (a) HST applies to this transaction;
 - (b) such HST is **included in** the Purchase Price, net of the Existing Provincial HST Rebate;
 - (c) the Existing Provincial HST Rebate **shall be** deemed to be included in the definition of “Rebate”, as contained within Section 15 of Schedule “X” of this Agreement; accordingly, all references to Rebate in this Agreement shall include the Existing Provincial HST Rebate; and
 - (d) the Federal FT HB Rebate, Provincial FT HB Rebate and/or Proposed Rebate (collectively, the “**Other Rebates**”) **shall not be** deemed to be included in the definition of “Rebate”, as contained within Section 15 of Schedule “X” of this Agreement; accordingly, all references to Rebate in this Agreement **shall not** include any of the Other Rebates.
6. The Purchaser shall, to the extent that any of the Other Rebates are claimable by the Purchaser and for which the Purchaser qualifies to receive, be entitled to make an application to claim such Other Rebates directly with the Canada Revenue Agency following the Closing Date, and the Vendor hereby disclaims any right to such Other Rebates in favour of the Purchaser.
7. The Purchaser acknowledges and agrees that the legislation noted hereinabove in relation to the proposed Provincial FT HB Rebate and the Proposed Rebate has not yet been enacted, may never be enacted. Further, the Federal and Ontario governments may further condition or revise the terms of any or all of the Other Rebates.
8. The Vendor makes no representation or warranty whatsoever that the Purchaser, this transaction or the subject project will qualify for any of the Other Rebates.
9. The Purchaser hereby fully and completely releases, indemnifies and saves harmless the Vendor and all corporations and partnerships related, affiliated or associated therewith, and their respective directors, officers, partners, employees and agents, and their legal personal representatives, successors or assigns of each, from and against all loss, liability, claims, demands, damages, costs and expenses which may be made or brought against any of them, or which they may sustain by reason of the Purchaser not qualifying for, being entitled to, or not receiving the full benefit of any of the Other Rebates for any reason whatsoever including, without limitation:
 - (a) the acts or omissions of the Purchaser and/or the Vendor;
 - (b) errors and/or omissions made to or in, and/or a failure to complete any of the documentation, materials, applications, schedules, affidavits, statutory declarations and the like;

- (c) the rejection or a failure to process by the Canada Revenue Agency (or any other successor or related governmental authority having jurisdiction to process any of the Other Rebates) of any of the documentation, materials, applications, schedules, affidavits, statutory declarations and the like (the “**Rebate Forms**”) required for the Purchaser to be entitled to, or receive the benefit of any of the Other Rebates by reason of (including, but not limited to):
 - (i) errors and/or omissions contained in such Rebate Forms, whether such errors and/or omissions were made by the Purchaser or the Vendor;
 - (ii) the use and/or submission of outdated or incorrect Rebate Forms; and
 - (iii) the failure to submit such Rebate Forms within the time limits permitted for doing so.

This paragraph shall not merge and shall survive closing of the transaction contemplated by the Agreement.

- 10. In the event that there is any inconsistency or conflict between the provisions contained in this Schedule and the provisions contained in the Agreement, the provisions of this Schedule shall have priority over and shall override the provisions contained in the Agreement to the extent of the inconsistency or conflict.
- 11. The Purchaser acknowledges and agrees that the Purchaser’s qualification for any of the aforementioned rebate programs is not a condition of the Agreement.

Dated this ___ _____

Vendor’s Initials: _____

Purchaser’s Initials: _____

Purchaser’s Initials: _____

Draft