

AGREEMENT OF PURCHASE AND SALE

The undersigned Purchaser hereby agrees to and with the undersigned Vendor to purchase the property (the "Property") described below on the following terms:

Except as otherwise provided all of the amounts payable to the Vendor are payable by cheque or bank draft drawn on a Canadian Bank or trust company and will be held as deposits pending completion or other termination of this Agreement and credited on account of the purchase price on the closing date.

PURCHASER: _____ D.O.B. _____

PURCHASER: _____ D.O.B. _____

VENDOR: **Bayly Homes Limited**

Lot No. _____ Plan No. 40M- _____ Municipality: City of Ajax, County of Durham

Model Type: _____ Elevation: _____

Street (Civic Address): _____

Purchase Price: _____
_____ Dollars (\$ _____)

Initial Deposit: _____ Dollars (\$ _____)

Further Deposit: _____ Dollars (\$ _____)

Deposit Due: _____

Further Deposit: _____ Dollars (\$ _____)

Deposit Due: _____

The balance of the Purchase Price, in lawful money of Canada, is payable, to the Vendor or as it directs, by certified cheque on the Closing Date and subject to adjustments. At the time of the execution of the Agreement of Purchase and Sale, the Purchaser shall provide the Vendor with a series of post-dated cheques to satisfy all deposit requirements set out above.

The Addendum (as hereinafter defined) and the following Schedules attached hereto form part of this Agreement:

SCHEDULES A, B, C, FT, H, X, Q, S, T and the Tarion Information Sheet - Warranty Information for New Freehold Homes

Date of Offer: _____

Irrevocable Date: _____

Closing Date: The Tentative Closing Date set out in the Statement of Critical Dates and Tarion Addendum to Agreement of Purchase and Sale (both of which are attached hereto and are hereinafter collectively defined as the "Addendum") or, if applicable, the Delayed Closing Date set by the Vendor in accordance with the Addendum (hereinafter the "Closing Date")

In witness whereof I/We have hereunto set my hand and seal in the presence of:)
_____)
_____) Purchaser _____ SEAL
_____)
_____)
_____) Purchaser _____ SEAL

Purchaser's Solicitors:

Name: _____

Address: _____

Phone _____ Fax _____ Email _____

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

ACCEPTED this _____ day of _____, _____

VENDOR'S SOLICITOR:

HARRIS, SHEAFFER LLP
Suite 610 - 4100 Yonge Street
Toronto, Ontario, M2P 2B5
Attention: Valarie Madden Email: Vmadden@harris-sheafer.com
Telephone: (416) 250-5800 Fax: (416) 250-5300
Solicitor: Ari M. Katz Email: akatz@harris-sheafer.com

BAYLY HOMES LIMITED
Per: _____
Authorized Signing Officer
I have authority to bind the Corporation.

SCHEDULE "X"**1. CONSTRUCTION MATTERS:****CONSTRUCTION AND OCCUPANCY OF DWELLING:**

- (a) The Vendor will construct (if not already constructed) and complete upon the Property a dwelling (the "Dwelling") of the type hereinbefore indicated substantially in accordance with the plans and specifications available for viewing by the Purchaser at the Vendor's sales office. Notwithstanding anything else herein contained, if for any reason except for the wilful neglect of the Vendor the Dwelling is not completed, utility services are not operative, the Planning Act has not been complied with, or the Dwelling has not been approved for occupancy by the Municipality on or before the Closing Date, the Purchaser agrees to grant and hereby grants such extension or extensions of time for completion of the foregoing as may be required by the Vendor and, subject to the provisions of the Addendum, the Closing Date shall be extended accordingly. Subject to the foregoing, if the Dwelling is not completed on or before the original or the extended closing date, or the said Dwelling type cannot be sited or built in accordance with the requirements of any governmental authority, this Agreement shall be considered as frustrated in accordance with clause 10(e) of the Addendum and all deposit monies shall be repaid to the Purchaser with interest and all parties hereto shall be relieved of any liability or obligation hereunder. The Purchaser acknowledges that construction of the Dwelling is subject to the Vendor's overall construction schedule within the subdivision and that an extension of the Closing Date due to commencement of any phase of construction of the Dwelling at a date other than the earliest possible date shall not constitute or be deemed willful neglect. The Vendor may, at its option, delay the Closing Date for one (1) business day if the Purchaser is not ready to close without payment of delayed closing compensation. The Dwelling shall be deemed to be completed when all interior work has been substantially completed as determined by the Vendor, and the Purchaser agrees in such case, provided the Municipality has approved the Dwelling for occupancy and the Vendor has provided the evidence required by Tarion, to close this transaction, without holdback of any part of the Purchase Price, on the Vendor's undertaking to complete the Dwelling. 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 Lien Act, and will not claim any lien holdback on closing.

FINAL INSPECTION:

- (b) (i) The Vendor represents and warrants to the Purchaser that the Vendor is in good standing with Tarion Warranty Corporation (formerly the Ontario New Home Warranty Program) ("Tarion") and the Home Construction Regulatory Authority ("HCRA"). The Vendor covenants that on the closing of this transaction a written warranty in the Tarion standard form will be requested by the Vendor from Tarion and that a warranty certificate will be mailed directly to the Purchaser by Tarion. The Purchaser agrees to accept such warranty in lieu of any other warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property other than as expressed herein and more specifically, the Purchaser absolves the Vendor from any representations made by any and all sales representatives unless the same have been reduced to writing herein. This Agreement represents and expresses the entire Agreement between the parties hereto.
- (ii) The parties agree that the Purchaser (or the Purchaser's designate) will meet at the Dwelling on or before the Closing Date to conduct the pre-delivery inspection (the "PDI"). The Purchaser acknowledges that the warranties being given by the Vendor to the Purchaser under the terms of the Ontario New Home Warranties Plan Act R.S.O. 1990 C.O.-31 (the "Act") and which Act is administered by the Tarion Warranty Corporation (hereinafter called "Tarion") are the only warranties at law or otherwise being given to the Purchaser by the Vendor under the terms of this Agreement of Purchase and Sale. In this regard the Purchaser agrees that approximately seven (7) days prior to the Closing Date, the Purchaser will contact the Vendor to arrange to inspect the Property with the Vendor's representative. The Purchaser shall not be entitled to examine the Dwelling except when accompanied by a representative of the Vendor. During such inspection all damaged, incomplete or missing items and anything that is not in good operating condition, if any, shall be listed in writing on the Certificate of Completion and Possession form (the "CCP") and the Pre-Delivery Inspection form (the "PDI Form") provided for by Tarion and which forms shall be signed by the Purchaser and the Vendor's representative. Save as so listed the Purchaser shall be conclusively deemed to have accepted the Property as complete in accordance with this Agreement. The Vendor shall complete all matters set out in the CCP and the PDI Form as soon as reasonably practicable. Further, the Vendor agrees to rectify any defects in materials or workmanship covered by the Tarion warranty issued to the Purchaser as soon as reasonably practicable after the same has been called to the Vendor's attention by notice in writing, including having regard to weather conditions and availability of trades and materials. The Purchaser acknowledges that construction materials shrink as they dry resulting in nail 'pops'. Year-end drywall repairs will consist of compound patching only. Pursuant to Tarion policy, sanding and/or priming will be the responsibility of the Purchaser. The Vendor will endeavour to match colours of materials as closely as possible. The Purchaser further agrees that the Vendor shall have the right to enter upon the Property and Dwelling after completion of the transaction in order to complete such items as are contained in the CCP and PDI Form and for all warranty services that may be required to be performed by Tarion, all inspections, Home Owner service work, and/or work required by trades.
- (iii) The completion of the PDI and the completion and signing of the CCP and PDI Form as aforesaid are conditions of the Vendor's obligation to give occupancy of the Property and complete this transaction.
- (iv) The Purchaser acknowledges that the Warranty Information Sheet - Warranty Information for New Freehold Homes is appended hereto and is available on the Tarion website (which is currently at the following web address: <https://www.tarion.com/resources/publications/64092/warranty-information-sheet-agreements-purchase-and-sale>). This information sheet provides a basic overview of the warranties and protections that come with a new freehold home. This warranty is provided to purchasers by the Vendor and backed by Tarion. For more detailed information, visit tarion.com and log into the Tarion online learning hub at www.tarion.com/learninghub.
- (v) Notwithstanding anything else herein contained, the Purchaser shall be entitled to send a designate to conduct the PDI in the Purchaser's place or attend with their designate, provided the Purchaser first provides to the Vendor the Appointment of Designate for PDI in the form prescribed by Tarion (the "Appointment Form"), prior to the PDI. If the Purchaser appoints a designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the force and effect as if executed by the Purchaser personally.
- (vi) In the event the Purchaser or the Purchaser's designate, as the case may be, fails to attend the PDI or fails to execute the CCP and PDI Form at the conclusion of the PDI, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth herein and at law. Alternatively, the Vendor may, at its option, complete the CCP and PDI Form on behalf of the Purchaser or the Purchaser's designate, as the case may be, and the Purchaser and/or the Purchaser's designate, as the case may be, hereby irrevocably appoints the Vendor as the Purchaser's or the Purchaser's designate, as the case may be, attorney to complete the CCP and PDI Form on the Purchaser's or the Purchaser's designate's behalf, as the case may be, and, in which event, the Purchaser shall be bound as if the Purchaser or the Purchaser's designate, as the case may be, had executed the CCP and PDI Form.
- (vii) In the event the Purchaser and/or the Purchaser's designate fails to execute the Receipt forthwith upon receipt thereof, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth herein and at law. Alternatively, the Vendor may, at its option, execute the Receipt on behalf of the Purchaser or the Purchaser's designate, as the case may be, and the Purchaser and/or the Purchaser's designate, as the case may be, hereby irrevocably appoints the Vendor as the Purchaser's and/or the Purchaser's designate, as the case may be, attorney to execute the Receipt on the Purchaser's or the Purchaser's designate's behalf, as the case may be, and, in which event, the Purchaser and/or the Purchaser's designate, as the case may be, shall be deemed to have executed the Receipt.
- (viii) The registration of the transfer to the Purchaser shall constitute acceptance by the Purchaser of the Property and shall be deemed to be a complete release by the Purchaser, of the Vendor under this Agreement from any and all liability of any kind whatsoever under this Agreement save only for the completion after closing of the work, if any, listed as aforesaid on the CCP and PDI Form, or, if nothing is listed thereon, as required to be done in accordance with this Agreement. If the Purchaser is more than one person, only one such Purchaser need attend the PDI and sign the CCP, PDI Form and Receipt and each Purchaser hereby irrevocably appoints the other Purchaser or Purchasers as agent for the purpose of attending the PDI and signing the CCP, PDI Form and Receipt. For purposes of the Appointment Form, the same designate must be collectively

appointed by all such Purchasers. There shall be no holdback for uncompleted work and the full balance of the Purchase Price will be paid to the Vendor on closing.

2. PURCHASER'S COVENANTS:

The Purchaser agrees with the Vendor as follows:

ACCEPTANCE OF PLAN OF SUBDIVISION:

- (a) 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 or the relevant municipality (the "Municipality") in connection with and the acceptance of the plan of subdivision wherein the Property is situate as a whole by the Municipality.

ENCUMBERING THE PROPERTY:

- (b) The Purchaser will not before closing, mortgage, sell, deal with or in any way encumber the Property, directly or indirectly, that he will not permit any lien, execution or conditional sales agreement to be registered or filed and that he will not obstruct or alter the premises.

NON-MERGER:

- (c) Notwithstanding the closing of this transaction, the Purchaser's covenants, warranties and agreements in this Agreement shall not merge and the Purchaser shall give to the Vendor any further written assurance as may be required by the Vendor to give effect to this covenant either before or after the Closing Date. The Vendor, the subdivider (the "Subdivider") of the plan of subdivision in which the Property is situated, the Municipality or their servants or agents may, for such period after closing as is designated by the Subdivider, the Vendor and/or the Municipality, enter upon the Property at all reasonable hours to inspect, repair, complete or rectify construction, grade and undertake modifications to the surface drainage, including installation and catch basins, without liability therefor, and the Transfer/Deed may contain such a provision.

SUBSTITUTIONS:

- (d) 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. The Purchaser acknowledges that the siting of the garage for the dwelling unit has not yet been established and the Purchaser accepts that the garage may be sited on either side of the dwelling unit in accordance with the Vendor's architectural and engineering requirements for the dwelling.

GRADING:

- (e) The Purchaser will not alter the grading of the Property contrary to the municipally approved drainage and/or grading control plan, 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 including the location of catch basins and infiltration trenches. 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 or any other municipal agreement or requirement, following such approval and prior to completing the driveway, the Purchaser shall notify the Vendor in writing so that water keys 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, fencing, or decking upon the property until after the Vendor has obtained acceptance of lot grading from the Municipality.

The Purchaser acknowledges that the Vendor may not be completing the paving of the driveway for the property as contemplated herein, until after the closing of this transaction. Without limiting the generality of what may be contained herein, the Purchaser acknowledges and agrees with the Vendor that, after closing, he will not alter or change either the driveway or curbs without the express written consent of the Vendor, Subdivider and the Municipality, which consent may be arbitrarily withheld, until the subdivision has been assumed by the Municipality for maintenance purposes. The Purchaser further acknowledges that if he alters or changes the driveway and/or curbs that the Vendor has the right to enter the property to restore the driveway and/or curbs to their previous placement and/or condition and to charge the cost of same to the Purchaser as a lien on his property until paid by the Purchaser to the Vendor.

The Purchaser acknowledges that the Vendor, at this time, is not aware of the final grading to be required for this property. The Purchaser further acknowledges that if the Municipality requires an upgrade elevation for the property that the extra costs for the upgraded elevation will be paid for by the Purchaser on the final Statement of Adjustments at the time of the closing of the transaction.

UTILITIES:

- (f) Unless expressly provided in this Agreement, the water heater is not included in the Purchase Price and shall remain chattel property. The Purchaser acknowledges that the water heater for the dwelling may be either (a) a rental water heater in which case the Purchaser agrees to execute a rental contract, if requested, with the designated supplier for the said water heater prior to closing. The rental rate as of the date of this Agreement is approximately \$48.00 per month plus tax (and any increase that the supplier may levy for the rental water heater) or (b) the Vendor shall install a water heater in the dwelling and the Purchaser agrees to pay to the Vendor the cost of such water heater as an adjustment, on closing, together with applicable taxes thereon.

In either situation, the Purchaser agrees to take all necessary steps to immediately assume, on closing, all charges for hydro, water and other services.

TARION ENROLMENT FEE AND HCRA FEE:

- (g) The Purchaser covenants and agrees to reimburse the Vendor on closing for any enrolment fees paid by the Vendor for the Dwelling to Taron or otherwise in connection with the Taron warranties, as well as any fees paid by the Vendor to HCRA.

TITLE DIRECTION:

- (h) The Purchaser(s) agrees to provide the Vendor's Solicitor with a written direction as to whom title is to be conveyed (subject to the first mortgagee's requirements which the purchaser will abide by) no later than sixty (60) days prior to the Closing Date, failing which the Vendor is hereby directed to convey title to the Purchaser(s) set forth and named in this Agreement. Title may only be directed by the Purchaser, to add his spouse, son and /or daughter and no other party without the written consent of the Vendor, which consent may be withheld for any reason whatsoever, all in accordance with the terms of Clause 2(k) herein, provided that at no time shall the original Purchaser(s) be permitted to remove their name from title without written consent from the Vendor. In the event of any change, the Purchaser agrees to pay to the Vendor's Solicitor their legal fees. The Purchaser covenants not to register this Agreement or any other document on title prior to closing. The Purchaser acknowledges that registration against title to the Land of any notice or caution or other reference to this Agreement or his or her interest in the Land is likely to cause inconvenience and prejudice to the Vendor, for example, by impeding financing. If any such registration

occurs, the Vendor may terminate this Agreement forthwith and retain the deposit in addition to and without prejudice to any other remedy available to the Vendor arising out of such default. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all costs of obtaining such order.

RELEASE OF KEYS:

(i) Keys will be released to the Purchaser at the construction site or the sales office of the Vendor, as the Vendor in its absolute discretion determines, upon completion of this transaction, unless otherwise specifically agreed to in writing between the Vendor and the Purchaser. The Purchaser agrees that the Vendor's advice that the 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 5:00 o'clock p.m. on that day, the Vendor may retain the keys and release same to the Purchaser on the next following business day.

EXTRAS, COLOUR SELECTION AND FINISHES:

(j) The Purchaser covenants and agrees that he shall pay to the Vendor in advance for all extras, upgrades or changes ordered by the Purchaser at the time such order is made and the Purchaser further acknowledges and agrees that such payment is non-refundable in the event that his transaction is not completed for any reason whatsoever except due to default of the Vendor. The Purchaser's failure to pay for upgrades or the Purchaser issuing a cheque which does not clear the Vendor's bank or is marked for insufficient funds shall be a FBOC. Notwithstanding anything therein contained to the contrary, the Purchaser acknowledges and agrees that if, upon Closing, any of the extras, upgrades or changes ordered by the Purchaser remains incomplete in whole or in part or if the Vendor shall, in its sole discretion, determine that it will not provide extras, upgrades or changes or cannot complete the extras, upgrades or changes then they shall be refunded to the Purchaser upon Closing 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, the Purchaser receives credit in the statement of adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be deemed to have been released from any and all obligations, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes. 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 finishing, 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 Date herein set out without holdback of any part of the Purchase Price, on the Vendor's undertaking to complete any of the Vendor's outstanding work. If for any reason payment for such extras, upgrades or charges ordered by the Purchaser is not received at the time such order is made, any such outstanding amounts shall bear interest from such time at the rate of 24% per annum, calculated and compounded daily, until paid in full provided that if such outstanding amounts or any part thereof remains outstanding at closing, such amount together with interest calculated and compounded as aforesaid shall be credited to the Vendor on the Statement of Adjustments.

(k) The Purchaser covenants and agrees that he will within ten (10) days of notification from the Vendor attend and complete the Vendor's colour and material selection form (the "Interior Finishing Selection Sheet") for those items of construction or finishing for which the Purchaser is entitled to make selection pursuant to this Agreement, failing which the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement and/or at law or, in the alternative, the Vendor may complete the same in its sole and absolute discretion, on behalf of the Purchaser and the Purchaser agrees to be bound by the Vendor's selection and the Vendor shall not be liable for any delays in having the Property ready for Closing. The Purchaser acknowledges that when said selection form is completed, it shall constitute part of this Agreement.

(l) The Purchaser acknowledges that the Vendor's scheduling requirements are paramount and that the Purchaser will be required to attend appointments at times and locations selected by the Vendor to complete the colour and material selections specified above. In the event that the Purchaser is unable to attend the appointment set forth by the Vendor, the Purchaser will be required to provide cancellation notice to the Vendor 72 hours prior to the set appointment, and provide an alternative date to reschedule the appointment that falls within ten (10) business days of the cancelled appointment. In the event that the Purchaser fails to notify the Vendor and does not appear to the scheduled appointment, the Purchaser shall pay to the Vendor a fee in the sum of \$500.00 plus HST for each occurrence.

(m) All selections of items of construction or finishing for which the Purchaser is entitled to make selection pursuant to this Agreement are to be made from the Vendor's samples. If the Purchaser's colour, material, construction or finishing selections are unavailable for any reason whatsoever, the Vendor shall advise the Purchaser of such unavailability, after which, the Purchaser may make an alternate selection only of such items as may be unavailable. If the Purchaser fails to make an alternate selection as aforesaid, within seven (7) days, the Vendor may substitute in its sole and absolute discretion, without the consent of the Purchaser, materials or finishing which are of equal or better quality, whether the same are different in colour and/or finish. The Purchaser hereby irrevocably agrees to accept the Vendor's selection without any right of abatement of the Purchase Price and in full satisfaction of the Vendor's obligation herein, or terminate this Agreement and the Purchaser agrees that the deposit monies paid by the Purchaser hereunder shall be forfeited to the Vendor in addition and without prejudice to any other remedy available to the Vendor arising out of such default.

(n) The Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. Purchaser hereby shall accept any such colour variation resulting from the manufacturing process, change of suppliers or otherwise, without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligations herein..

SALE RESTRICTIONS:

(o) The Purchaser represents to the Vendor and upon which representation the Vendor has relied in accepting the Purchaser's offer that he is purchasing the Property for his own personal use and not for speculative purposes. Prior to Closing, the Purchaser covenants and agrees not to post any signs for sale or list the Property for sale, or advise others that the Property is or may be available for sale, offer for sale or sell, the Property or to enter into any agreement, conditional or otherwise, to sell the Property, or any interest therein, nor to assign this Agreement or any interest therein, or the benefit thereof, either directly or indirectly, to any person without the prior written consent of the Vendor, which consent may be arbitrarily withheld or delayed. Any offering for sale, sale, assignment or attempted assignment of this Agreement shall constitute a fundamental breach of contract (hereinafter in this Agreement referred to as a "FBOC") which shall at the Vendor's sole option, entitle the Vendor to terminate this Agreement and the Vendor shall be entitled to retain the deposit monies as liquidated damages and not as penalty and the Purchaser shall have no further right to or interest in the Property.

TITLE RESTRICTIONS:

(p) (i) The Purchaser shall accept the Property, subject to the building and other restrictions registered on title, including provisions in the Subdivider's deed to the Vendor or Purchaser, provided there is no breach of such restrictions on closing, and to execute and grant any easements or right of way for installation and/or maintenance of services as may be required, both before and after closing, by any government or utility authority or body.

(ii) The Purchaser covenants and agrees to accept title to the property subject to the following:

- (a) any registered or unregistered subdivision, development, site plan, housekeeping, financial, security or like agreement or agreements with the relevant City, Town or Municipality, containing provisions relating to the use and development of the lands on which the property is located, or with any other governmental authority having jurisdiction which may now or hereafter be entered into and to execute any documentation which may be required to evidence his consent to same;
- (b) any agreement entered into with the hydro electric commission for the provisions of hydro electric services;
- (c) any easements for ingress or egress and any easements, covenants, licences or encroachment or other agreements for the installation and maintenance of any public or other utilities, including without limitation, telephone, hydro, gas, sewer, water, cablevision and master antenna T.V. distribution system (such easements may be for the benefit of other lands);
- (d) any other municipal requirements including building and zoning by-laws, all restrictions and covenants that run with the land, noise attenuation provisions or environmental notices, warnings or covenants affecting or relating to the use, development or erection thereof or other improvements in or on the property;

(iii) The Purchaser further acknowledges and agrees that the following clause may be required to be inserted on the Transfer to the property:

Subject to a right in the nature of a licence or easement in favour of the owners and occupants from time to time of Part of Lot _____, Plan No. _____, designated as Part _____ on Reference Plan No. _____, City/Town of _____, Regional Municipality of _____, over, along and upon Parts _____ and _____ on Reference Plan No. _____, for the purpose of maintaining and repairing the building constructed on Part of Lot _____, Plan No. _____ designated as Part _____ on Reference Plan No. _____, City/Town of _____, Regional Municipality of _____.

If such licence or easement or any other licence or easement is required subsequent to closing, the Purchaser, at the request of the Vendor or its solicitor shall grant, execute and return to the Vendor or its solicitor such licence agreement or transfer of easement together with a postponement thereto of any mortgage registered on title within seven (7) days of request for same, at no cost to the Vendor.

SODDING:

(q) The Purchaser acknowledges that grading and sodding shall be done between June and October or at such other times as weather conditions permit as per the Vendor's scheduling program. The Purchaser agrees that he shall be solely responsible for watering, and general maintenance of sod from the Closing Date or from the date that sod is laid, whichever shall be 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, 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 expense of same as determined by the Vendor.

NOTICES:

(r) The Purchaser acknowledges that the subdivision agreement to be entered into between the Subdivider and the Municipality may require the Vendor to provide the Purchaser with certain notices, including, but not limited to, land usage, maintenance of municipal fencing, school transportation, noise levels from adjacent roadways, noise and/or vibration levels from nearby railway lines, the absence of door-to-door mail delivery, the location of the "super mailboxes", and in general, any other matter that may be deemed by the Municipality to inhibit or affect the enjoyment by the Purchaser of the Property. The Purchaser covenants and agrees to execute forthwith upon request, an acknowledgement and/or amendment to this Agreement containing such notice if and when requested to do so by the Vendor and to be bound by the contents of any such notice aforesaid.

READJUSTMENTS:

(s) All proper readjustments shall be made after closing, if necessary, forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations described in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of 24% per annum, calculated and compounded daily, not in advance and shall be a charge on the Property until paid and such charge shall be enforceable in the same manner as a mortgage in default.

The Purchaser acknowledges and agrees that if any cheques provided to the Vendor, pursuant to the terms of this Agreement, are returned by the Bank for any reason whatsoever, including unpaid, N.S.F. or payment stopped ("NSF"), then in addition to any other remedies available to the Vendor as a result of this default, the Purchaser shall pay to the Vendor an NSF fee in the sum of \$500.00 plus HST for each such occurrence which sum must be paid by the Purchaser to the Vendor by certified cheque, on or before the closing of the sale transaction, failing which the Purchaser, at the option of the Vendor, will be deemed to be in default of the Agreement of Purchase and Sale. If for any reason payment for the NSF fee(s) is not received, the NSF fee(s) shall bear interest from the date of the NSF cheque at the rate of 24% per annum, calculated and compounded daily, until paid in full provided that if such outstanding amounts or any part thereof remains outstanding at closing, such amount together with interest calculated and compounded as aforesaid shall be credited to the Vendor on the Statement of Adjustments.

HOME OWNER SERVICE / WARRANTY HOME SERVICE:

- (t)
 - (i) No request by the Purchaser for home owner service will be processed by the Vendor unless such request is in writing other than emergency service, such as no heat, water or hydro. The Purchaser acknowledges that the Vendor may be leaving a supply of new unused tiles in the garage of the premises and/or in the home to be used by the Vendor in the event they are needed for future repairs to the tiles in the home. The Purchaser acknowledges that these tiles are the property of the Vendor and are to be used only by the Vendor to correct any future repairs to the tiles in the home, if necessary, for which the Vendor is responsible. The Purchaser further acknowledges that if the Purchaser uses these tiles or removes them from the garage and/or the home or damages any of the tiles, then the Purchaser will be responsible, at his own expense, to correct any future problems that may arise to the tiles in the home.
 - (ii) The Purchaser is advised that all warranty services that may be required to be performed by Tarion, all inspections, Home Owner service work, and/ or work required by trades can only be done provided the Purchaser or the Purchaser's designate is present in the home. If the Purchaser appoints a designate to be present at the time of such warranty work etc., they must provide the Vendor with written confirmation of the name of the designate who must be at least 18 years old and who has the authority to sign for completion of all work orders confirming the Purchaser's satisfaction of same.

BASEMENT DEVELOPMENT AND HOME ALTERATIONS:

(u) The Purchaser covenants not to finish the whole or any part of the basement of the Dwelling for a period of two (2) years after the Closing Date. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of water damage including to basement

improvements and chattels stored in the basement resulting from water seepage, as well as any consequential damages arising therefrom. The Purchaser acknowledges that he will not make any changes, structural or otherwise to the home being purchased herein for two years after the closing of this transaction without first notifying the Vendor, in writing, of the proposed changes he intends to make to the home. The Purchaser further acknowledges that if any such changes to the home made by the Purchaser negatively affects any item in the home constructed by the Vendor, then the Tarion warranties relating to such items in the home constructed by the Vendor shall be voided and of no effect whatsoever.

SETTLEMENT:

(v) If settlement occurs due to soil disturbance around the house, the walkways, driveways and sodded areas, rectification of 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.

FENCING AND RETAINING WALLS:

(w) The Purchaser acknowledges and agrees that all aspects of fencing including design, material and colour shall be as determined by the Subdivider in its sole discretion. Where any portion of any fence is within 2.0 metres of the Property line, such fence shall be deemed not to be an encroachment at that point (the "Permitted Encroachment") and the Purchaser agrees to accept title to the Property and to complete the sale contemplated herein, without abatement of the Purchase Price. If any portion of any fence is not deemed to be a Permitted Encroachment (an "Unpermitted Encroachment") then the Purchaser shall complete the transaction herein either upon the Vendor's undertaking to take all reasonable lawful steps to remove the Unpermitted Encroachment; or, at the Vendor's sole option, upon an abatement in the Purchase Price, such abatement to be calculated by multiplying the Purchase Price by the ratio of the area of the Unpermitted Encroachment to the total area of the Property. The Purchaser acknowledges that the Purchaser's lot may not be flat due to the presence of swales for drainage, ravines or other geographic features within or adjacent to the Purchaser's lot. The Purchaser agrees to complete the herein transaction notwithstanding the existence on the Property of a tree preservation area or buffer block (possibly adjacent to an open space), any retaining walls and catch basins which may encroach into the Purchaser's lot, infiltration trenches, rain barrels or fencing required pursuant to any engineering drawings or otherwise deemed to be required by the Vendor, its architect or engineer whether or not the Purchaser was notified of same prior to or after entering this Agreement. All maintenance of fencing and/or retaining walls and catch basins on the property shall be the responsibility of the Purchaser after closing. Notwithstanding the foregoing, any encroachment on the Property by a fence required by any governmental authority by way of subdivision agreement or otherwise, shall be deemed to be a Permitted Encroachment. The Purchaser further acknowledges that they are not permitted to stain any fence constructed on their property by the Vendor without written consent of the Vendor and the Municipality. If the Purchaser breaches this covenant they will be responsible to pay for all costs incurred by the Vendor in removing the stain or re-staining the fence.

ARCHITECTURAL CONTROLS AND SITING:

(x) The Purchaser acknowledges and agrees that architectural control of external elevations, driveway construction, boulevard tree planting, landscaping, corner lot fencing (including the location and colour of such corner lot fencing), exterior colour schemes, or any other mater 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 and/or municipal requirements, to construct an external elevation for this Dwelling other than as specified in this Agreement, or amend the driveway location siting or construction, boulevard tree planting, fencing or landscaping plan for this Dwelling (all of which is hereafter 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 discretion, to construct the hereinbefore described Dwelling either as shown on the sale brochures, renderings and other plans and specifications therefor reviewed and approved by the Purchaser, 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 determines, at its sole discretion, to construct the Dwelling at a grade level different than as depicted in the sales brochures, renderings and other plans and specifications therefor reviewed and approved by the Purchaser, or otherwise necessitating a step or series of steps to the front door, side door, rear door, or any door from the garage to the interior of the Dwelling, the Purchaser hereby irrevocably agrees to accept such change 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.

CLOSING COVENANTS

(y) The Purchaser agrees with the Vendor that after closing he:

- (i) will not erect or place a fence (except where required or permitted by the Vendor and by the Municipality), gate, hedge, clothesline, or other obstruction on or adjacent to, in or upon the boundary line of the lot or part thereof or on any part of the lot without the written consent of the Developer and any other competent authority;
- (ii) covenants that no fence, hedge or other structure on any corner lot shall be planted, constructed or permitted to block the sight triangle of the corner of the lot measured on both frontage and flankage, provided however, that this shall not prevent the construction of any building that complies with the setback requirements of the Municipal by-laws applying to this lot;
- (iii) will not place, locate or maintain a swimming pool or outdoor antenna or satellite dish on any part of the lot or any structure therein without the written consent of the Developer and any other competent authority;
- (iv) will not place any signs, billboards, notices or other advertising matter of any kind (except the standard "for sale" or "sold" sign) on any part of the lot or upon a wall of the dwelling or any fence, tree or other structure without the consent and approval of the Developer;
- (v) will not place, locate, keep or maintain a trailer on any part of the lot;
- (vi) will not clog, fill, alter, obstruct, remove or interfere with any gutter, swale or drain without the consent of the Municipal Engineer;
- (vii) will not damage, cut down or remove any tree on the lot without the consent in writing of the Municipality;
- (viii) will rectify any damage to any catchbasin and infiltration trench and their appurtenant drainage pipes, fences and any slope stability work, such as retaining walls, which may be located within the lot or on the lot line;
- (ix) will not alter the grading or change the elevation or contour of the land except in accordance with drainage plans approved by the Commissioner of Public Works;

(x) will adhere to the terms and conditions and other applicable provisions set out in the Subdivision and/or Development Agreement insofar as they pertain to the maintenance, reconstruction, use and occupancy of the dwelling and appurtenances erected or to be erected upon the within lot;

(xi) will accept, adhere to and comply with all agreements, terms, warning, easements, conditions, restrictions and/or covenants which may be registered on title;

(xii) will grant any right, easement or restriction on and after closing upon written request of the Vendor for the purpose of constructing, maintaining or repairing any and all services, public or private, required for the servicing and developing generally of the lots in the Municipality or otherwise and required;

(xiii) will grant the Municipality, Region or Hydro-Electric Commission, or any other authority having jurisdiction, any easements required by them and provided such easements do not interfere with any building constructed on the lands;

(xiv) will adhere to all covenants, undertakings and agreements set forth in the Agreement of Purchase and Sale and related Schedules.

(xv) will not make any changes, structural or otherwise to the home being purchased herein for the two years after the closing of this transaction without first notifying the Vendor, in writing, of the proposed changes he intends to make to the home. The Purchaser further acknowledges that if any such changes to the home made by the Purchaser negatively affects any item in the home constructed by the Vendor, then the Taron warranties relating to such items in the home constructed by the Vendor shall be voided and of no effect whatsoever.

(xvi) is aware that the Vendor may not be completing the paving of the driveway for the property as contemplated herein, until after the closing of this transaction. The Purchaser acknowledges and agrees with the Vendor that, after closing, he will not alter or change either the driveway or curbs without the express written consent of the Vendor, Subdivider and/or the Municipality, which consent may be arbitrarily withheld, until the subdivision has been assumed by the Municipality for maintenance purposes. The Purchaser further acknowledges that if he alters or changes the driveway and/or curbs that the Vendor has the right to enter the property to restore the driveway and/or curbs to their previous placement and/or condition and to charge the cost of same to the Purchaser as a lien on his property until paid by the Purchaser to the Vendor. In the event that the Purchaser completes this transaction at a time prior to the Vendor completing all of its work or construction within the subdivision, the Purchaser covenants and agrees to permit the Vendor and its agents and sub trades to enter upon the Property for the purposes of completing work on an adjoining property or other properties in the subdivision and the Purchaser shall not interfere with any work or construction being so performed by the Vendor and its agents and sub trades. The Purchaser agrees that this covenant may be pleaded by the Vendor as an estoppel to any action or opposition by the Purchaser.

The Purchaser acknowledges that title to the Property may be subject to these restrictions and covenants as well as such other restrictions and covenants as may be required by the Developer. If requested, the Purchaser agrees to execute a separate document, in form and substance satisfactory to the Vendor incorporating such restrictions and covenants.

FINAL GRADING:

(z) In the event this Dwelling is described on the first page of this Agreement as having a "walk-out" or a "walk-up", and such is not possible, the Purchase Price herein shall be reduced by the amount the Purchaser paid for a "walk-out" or a "walk-up". In the event this Dwelling is not described on the first page of this Agreement as having a "walk-out" or a "walk-up" and such is required, pursuant to final approved grading and engineering plans, then the Purchase Price herein shall be increased by Twenty-Five Thousand (\$25,000.00) Dollars. Any credit or additional charge shall be made by way of adjustment on the Statement of Adjustments and shall be paid or credited on the Closing Date.

3. TITLE MATTERS:

SUBDIVISION AGREEMENT:

(a) The Purchaser acknowledges and agrees that title may on closing be subject to one or more subdivision or other development agreements and that the Subdivider has agreed at its own expense to construct, install and pay for roads, sanitary sewers, water mains and all other services in accordance with the requirements of the Municipality, which the Vendor herein is not responsible to construct, install or pay for. The Purchaser agrees that the Vendor shall not be obligated on closing or thereafter to obtain releases of such subdivision or other development agreements and the Purchaser shall satisfy himself as to compliance. The Purchaser will not interfere with the Vendor's access to the Property as may be required to carry out any requirements of any governmental authority including pursuant to any agreement following closing. The Purchaser's failure to comply with the preceding sentence will cause the Vendor significant damages and hereby indemnifies the Vendor with respect to same.

ACQUISITION OF TITLE:

(b) The Vendor has agreed to acquire registered title to the Property from the Subdivider on terms set forth in a separate purchase agreement. In the event of default by the Subdivider in compliance with the requirements therein contained, or in the event the Subdivider exercises its right, by reason of adverse soil conditions affecting the Property, to terminate the purchase agreement as it relates to the Property, or if the Vendor fails to acquire title through no fault of the Vendor, this Agreement of Purchase and Sale shall be considered frustrated in accordance with paragraph 10(e) of the Addendum and all deposit monies shall be repaid to the Purchaser with interest and all parties hereto shall be relieved of any liability or obligation hereunder.

RELEASE TO SUBDIVIDER:

(c) The Purchaser acknowledges that title may be conveyed from the Subdivider, and not the Vendor, and the Purchaser hereby releases the Subdivider 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 Subdivider to this effect in form satisfactory to the subdivider.

PRIOR MORTGAGES:

(d) 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.

TITLE SEARCH:

(e) 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 service, T.V. transmission system, mutual driveways, and for maintenance 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 but not limited to eaves, eavestroughing, or other attachments to the roofs, furnaces and hot water tank vents pursuant to easements given by the Vendor to the Owners of the abutting lands. The Purchaser further acknowledges that portions of the Dwelling may encroach onto abutting lands pursuant to the easements given by the Owners of the abutting lands to the Vendor. 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 until thirty (30) days prior the Closing Date, to examine the title at his 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 (except for the Purchaser's obligations for extras or changes), notwithstanding any intermediate act or negotiations be void and the deposit monies shall be returned, without 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 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 the covenants, conditions, provisions and restrictions set out in the declaration and by-laws and rules, 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 \$125.00 plus HST for each discharge, 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.

4. TENDER:

The parties waive personal tender and agree that failing other mutually acceptable arrangements, and in particular, if the electronic registration system contemplated in paragraph 13 is not operative in the applicable Land Titles Office in which the Property is registered, tender may be validly made if the tendering party attends at the Registry Office in which the title to the Real Property is recorded at 4:00 o'clock p.m. on the Closing Date and for a period of one-half hour thereafter shall be ready, willing and able to close or alternatively, the tender may be validly made upon the designated solicitors for the party being tendered upon. The parties agree that payment must be made or tendered by bank draft or cheque certified by a Canadian Chartered Bank, trust company or Province of Ontario Savings Office. Mortgages not being assumed by the Purchaser need not be paid by the Vendor, only arrangements made to do so in accordance with paragraph 3(d) in case the Purchaser should complete the transaction.

In the event that the Purchaser requests an extension of the closing date for any reason and such extension is granted by the Vendor, the Purchaser covenants and agrees that any such extension, if granted, will be conditional upon receipt of a further deposit payable to the Vendor and determined at the Vendor's sole discretion and an additional extension fee of a minimum of \$250.00 plus HST per day for each day the closing is extended. The extension fee will be added as an adjustment due on closing and the further deposit shall be due forthwith upon the extension request being granted."

5. ADJUSTMENTS:

Realty taxes, assessment rates and local improvements to be apportioned and allowed to the Closing Date. In the event realty taxes have not been individually broken down 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. The Purchaser agrees to pay on closing a deposit, the amount to be determined by the Vendor, to be readjusted and to be applied on account of the Purchaser's portion of realty taxes applicable to his Property. Municipal realty tax re-assessment and/or supplementary tax bills relating to the Dwelling constructed on the Property issued subsequent to the Closing Date shall be the sole responsibility of the Purchaser. The Purchaser agrees to pay all relevant taxes in connection with the subject purchase transaction which shall be in addition to the purchase price and may be included on the Statement of Adjustments. The Vendor may require the Purchaser to accept or assume the cost of the insurance premium for the insurance policy arranged by the Vendor, the cost of which will be credited to the Vendor on closing.

6. MODELS:

The Purchaser acknowledges that the model homes, if any, are for display purposes only, and that some or all of the features contained therein may not be included in the Dwelling unless same is specifically provided for in any schedule forming part of this Agreement. The Purchaser acknowledges and accepts that the Vendor will be maintaining the model home or homes or sales offices and all advertising signs associated therewith for sale purposes until all homes in this subdivision and/or the adjacent subdivisions built by the Vendor or its affiliated corporations have been constructed, sold and occupied. The Purchaser acknowledges that the lot dimensions illustrated on the proposed plan of subdivision (if not registered) are approximate and may be varied in accordance with the requirements of the Vendor or the Municipality. The Purchaser further acknowledges that the lot dimensions illustrated on various plans, brochures or other marketing materials displayed in the sales office or elsewhere are approximate and it is suggested that the Purchaser refer to the actual dimensions of the subject lot as noted on the proposed plan of subdivision subject to the foregoing.

The Purchaser acknowledges that if the Property being purchased herein has been used by the Vendor as a model home or inventory to the Vendor, then there will be wear and tear in the Property which the Purchaser accepts and the Purchaser acknowledges that he/she is purchasing this Property on an "as is" basis including without limiting the generality thereof existing nicks, dents, scratches, scuff marks on all hardwood areas, stairs, pickets, stringers, risers, treads, all trim work doors, jambs, baseboards/casings, wear and tear on carpet, existing paint touch-up blemishes, existing chips and scratches on ceramics and grout areas, wear and tear and scuff marks on all counters and tubs and agrees that the Vendor shall not be responsible either directly or indirectly (including by way of claim pursuant to the legislation relating to the Taron warranties) to clean, repair or replace any part of the Property including wall covering, carpeting, vinyl/ceramic/hardwood flooring, cabinetry, window treatments, trees, shrubs or other planting materials, interlocking walkways and/or slab walkways, or any other features or extras on the Property either before or after closing unless specifically set out in this Agreement of Purchase and Sale. The Purchaser acknowledges that the life time line of the exterior brick work, shingles, windows and doors seals commenced at the time the model home was built and the Builder's warranties have expired and the Builder's warranties on the air conditioner and humidifier (Mechanical Units) have expired and agrees that the Vendor shall not be responsible either directly or indirectly (including by way of claim pursuant to the legislation relating to the Taron warranties) for any warranty claim for same. All appliances, including but not limited to the air conditioner and humidifiers (Mechanical Units), and fixtures included in the purchase price are purchased in an "as is" condition.

7. REZONING:

The Purchaser acknowledges receipt of notice from the Vendor that the Vendor and/or the Subdivider may apply for a re-zoning with respect to the blocks or lots not purchased hereunder as laid down by the plan of subdivision within which the Property is situated or with regard to the lands adjacent to or near the lands laid down by such plan of subdivision, and the Purchaser, the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleased as a bar to any objection by the Purchaser to such re-zoning. 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. The Purchaser acknowledges that this provision may be contained in the Transfer/Deed of Land or in a separate document registered or to be registered on title.

8. GENDER OR NUMBER:

This offer is to be read with all changes of gender or number required by the context and, when accepted, shall constitute a binding contract of

Purchase and Sale, and time shall, in all respects, be of the essence. Any breach by the Purchaser of any of the provisions of this Agreement shall entitle the Vendor, in addition to any rights or remedies that the Vendor may have in law or otherwise, to give notice to the Purchaser declaring this Agreement null and void, whereupon all deposit monies paid hereunder, and any monies paid for extras, shall be forfeited to the Vendor as liquidated damages and not as a penalty. The deposit monies are expressly deemed to be deposit monies only, and not partial payments. Default in payment of any amount payable pursuant to this Agreement on the date or within the time specified, shall constitute substantial default hereunder, and the Vendor shall have the right to terminate this Agreement and retain all deposit monies in full without prejudice to the Vendor's rights to additional deposit monies that may be required and any other rights it may have hereunder and at law including the right to recover from the Purchaser 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 20% 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 therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement of Purchase and Sale. 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. 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. This Agreement shall enure to the benefit of and be binding upon the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. Where the Purchaser is a corporation or is an individual or corporation purchasing in trust for a corporation, individual or other entity, the execution of this Agreement by the individual or individuals signing for a corporation or other entity or by the individual named as the purchaser in trust will be deemed to also be a personal guarantee and indemnity of the individual or individuals so signing of all the Purchaser's obligations hereunder, it being understood that the Vendor need not first exhaust its recourse against the Purchaser prior to pursuing such personal guarantee and indemnity.

9. HEADINGS:

The headings in this Agreement are for convenience purposes only and do not form part of or in any way amend or affect, the contents of the whole or any part of this Agreement. This Agreement shall be construed and interpreted by the courts of and in accordance with the Laws of the Province of Ontario, as such laws from time to time shall be in effect.

10. PLANNING ACT COMPLIANCE:

It is understood that this Agreement is subject to compliance in all respects with the subdivision control provisions of the Planning Act (Ontario), which compliance shall be obtained by the Vendor at its sole expense before Closing, failing which (in the absence of any extension of the Closing established or implemented by the Vendor pursuant to and in accordance with the provisions of the Taron Addendum) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof, save and except for any compensation that may be payable by the Vendor to the Purchaser in connection therewith pursuant to the provisions of the Taron Addendum.

11. FINANCING AND PURCHASER'S OBLIGATIONS::

The Purchaser covenants and agrees to provide evidence to the Vendor's satisfaction that the Purchaser has the ability to complete the purchase and perform his obligations under this Agreement. The Purchaser shall, within ten (10) business days of the Date of Acceptance of this Agreement, produce one or a combination of the following:

- (1) A firm mortgage approval from a Canadian chartered bank equal to eight percent (80%) of the Purchase Price. **A firm mortgage approval from a mortgage broker is not acceptable.** The firm mortgage approval must contain the following:
 - (i) The amount of the mortgage approval in Canadian Dollars;
 - (ii) The name and contact details of the bank representative who issued the mortgage approval.
- (2) Verification that the Purchaser has sufficient funds to complete the purchase, such as copies of the Purchaser's bank account statements from a Canadian Chartered Bank, and/or the Purchaser's investment portfolio statements from a Canadian Securities Dealer, which demonstrates that the Purchaser has the funds available as deposit, or in liquid investments, to pay the purchase price.

The Purchaser, by executing this Agreement hereby irrevocably authorizes and directs any proposed Lender to release to the Vendor, at such times as the Vendor may request, all information and documentation in the Lender's possession and control respecting the Commitment and the Purchaser further agrees to provide the Lender with the necessary additional authority to provide such information to the Vendor, if such additional authority is required, without exception. If the Purchaser does not intend to rely upon mortgage funds to complete the subject transaction then the Purchaser shall provide a letter from their bank or solicitor satisfactory to the Vendor, in its sole, subjective and absolute discretion, confirming the Purchaser's ability to complete this transaction.

In addition, if required, the Purchaser shall execute an irrevocable direction acceptable to the Vendor as to form and substance whereby the Purchaser directs such lending institution to pay the net proceeds of all advances pursuant to the Commitment directly to the Vendor or as the Vendor may direct. The Vendor may, in its sole discretion, elect to accept in the place of such Commitment, other evidence satisfactory to the Vendor that the Purchaser will have available sufficient funds to pay the balance due on Closing. If the Purchaser fails to provide the Commitment within the timeframe prescribed above, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in the Agreement and/or at law. If the Vendor, in its reasonable discretion, determines that the Commitment or other evidence submitted by the Purchaser does not demonstrate a reasonable financial ability to complete the transaction, the Vendor may elect, in its sole, subjective and absolute discretion, that rather than terminate this Agreement additional deposits shall be payable by the Purchaser at such times and in such amounts indicated by the Vendor, in its sole, subjective and absolute discretion, provided that such further deposits total no more than an additional 10% of the Purchase Price.

The Purchaser is hereby notified that a consumer's report containing credit and personal information may be obtained and referred to at any time in connection with this transaction and the Purchaser hereby consents to such report being obtained by the Vendor and/or any Mortgagee. If the Purchaser has not provided the aforesaid credit and lawyer information within the aforesaid time period, the Purchaser may be deemed to be in default under this Agreement.

12. PURCHASER'S SOLICITOR

Within 15 days after notification of the Vendor's acceptance of this Agreement, the Purchaser shall: (i) retain a solicitor in good standing with

the Law Society of Ontario to represent the Purchaser with respect to this Agreement as the Purchaser's Solicitor, and (ii) notify the Vendor of the solicitor's contact information, failing which the Purchaser shall be in default hereunder. In the event of such a default, the Vendor may exercise any of its rights in the event of default or, in its sole, subjective absolute discretion, elect to forgive and allow rectification of the default on such terms and conditions as are acceptable to the Vendor. In addition to and notwithstanding the above, in the event the Purchaser does not retain a solicitor at least 30 days prior to Closing and notify the Vendor thereof, the Purchaser shall not only be in default hereunder but also and acknowledges and agrees that in such event tender by the Vendor is waived and the Vendor will be deemed on the day of Closing to be ready, willing and able to complete this transaction without having to give proof thereof. In addition, if the Purchaser notifies the Vendor of its solicitor information less than 30 days prior to Closing or changes its solicitor, and the Vendor forgives any default that arises therefrom, the Purchaser shall pay to the Vendor's Solicitors (or reimburse the Vendor) for all additional legal fees and disbursements which may be incurred by the Vendor or charged by its solicitors, which shall be at a minimum \$250 (plus HST), which payment may be, at the Vendor's option, charged as an adjustment on Closing.

13. ELECTRONIC REGISTRATION:

In the event that the electronic registration system (hereinafter referred to as the "Teraview Electronic Registration System" or "TERS") is operative in the applicable Land Titles Office in which the Property is registered, then at the option of the Vendor's solicitor, 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 "Document Registration Agreement"), establishing the procedures and timing for completing this transaction;
 - (b) The delivery and exchange of documents, monies and keys to the Property and the release thereof to the Vendor and the Purchaser, as the case may be:
 - (i) in the event of electronic registration of documents, the Purchaser shall pay to the Vendor on the Closing Date the sum of \$200.00 plus HST to reimburse the Vendor for the cost incurred with respect to electronic registration;
 - (ii) shall not occur contemporaneously with the registration of the Transfer/Deed (and other registerable documentation); and
 - (iii) shall be governed by the Document Registration Agreement, pursuant to which the solicitor receiving the documents, keys and/or certified funds will be required to hold same in escrow, and will not be entitled to release same except in strict accordance with the provisions of the Document Registration Agreement.
 - (c) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the 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 such time on the scheduled closing date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, upon payment of a fee as determined by the Vendor's solicitor, acting reasonably.
 - (d) The Purchaser expressly acknowledges and agrees that he or she will not be entitled to receive the Transfer/Deed to the Property 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 by electronic funds transfer to the vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the Transfer/Deed for registration.
 - (e) Each of the parties hereto agrees that the delivery of any executed documents not intended for registration on title to the Property shall be delivered to the other party no later than the Closing Date unless alternate arrangements are agreed to between the solicitors.
 - (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 photocopies of all closing documents, keys and/or photocopies of any funds to the Purchaser's solicitor, it being understood that the Vendor making the keys available at its site/sales office shall be deemed to be delivered to the Purchaser's solicitors for the purposes hereof;
 - (ii) advised the Purchaser's solicitor, either verbally or in writing, that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) has completed all steps required by TERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor.
- without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents, keys and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

14. The Purchaser agrees that it will, from time to time upon the request of the Vendor, provide the Vendor with such information it requires to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the related regulations and guidelines issued pursuant thereto and any other requirements of FINTRAC.

15. NOTICE TO PURCHASERS:

Any written notices required to be sent to the Purchaser by the Vendor pursuant to the terms of this Agreement shall be sent to the Purchaser in accordance with paragraph 14 of the Addendum. The Purchaser acknowledges that when the Vendor receives confirmation of any email or fax sent by the Vendor to the Purchaser pursuant to paragraph 14 of the Addendum, such confirmation shall be deemed conclusive evidence that such email and/or fax has been received by the Purchaser. The Purchaser acknowledges that it is his responsibility to notify the Vendor in writing of any changes in their email address, fax number, mailing address and/or home address within 48 hours of such change. If the Purchaser fails to notify the Vendor in writing within such 48 hours, then any notices sent by the Vendor to the Purchaser pursuant to the Agreement shall be deemed to have been properly sent to and received by the Purchaser at the most current email address, fax number, mailing address or home address provided to the Vendor. The Purchaser acknowledges and agrees that if there is more than one purchaser named on the front page of the Agreement to which this Schedule is attached, the Vendor may send Notices to be delivered hereunder to the said purchasers at any one of the addresses, fax numbers or email addresses listed for the purchasers in the Addendum which shall be deemed to be a proper notice to all of the purchasers hereunder.

16. NOTICE TO VENDOR:

Any notice required to be given pursuant to the terms of this Agreement by the Purchaser to the Vendor shall be made in writing to the Vendor at 5400 Yonge Street, Second Floor, Toronto Ontario M2N 5R5, with a copy to its solicitor.

17. FACSIMILE TRANSMISSION:

The Vendor and the Purchaser acknowledge and agree that this Agreement of Purchase and Sale and any amendments thereto, and all notices required under this Agreement, may be transmitted through the use of a Fax Machine and that a true copy in the accepted form of this Agreement of Purchase and Sale with all dates, times, terms and conditions identical to accepted Faxed Agreement of Purchase and Sale to be delivered to the Purchaser and the Vendor prior to closing. In addition, all communications and notices to the parties herein as set out in this Agreement may be made to their solicitors by facsimile transmission.

18. CLOSING FUNDS:

The Purchaser expressly acknowledges and agrees that he or she will not be entitled to receive the transfer/deed 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 by electronic funds to the Vendor's solicitor (or in such other manner as the latter may direct) by no later than 3:00 p.m. on the closing date. In addition to the foregoing, at the option of the Vendor's solicitor, the Purchaser shall deliver all closing funds through the Teranet Closure System and all costs and fees of delivering the closing funds in such manner shall be paid for by the Purchaser. In the event the Vendor's solicitor elects to have closing funds delivered by the Teranet Closure System, then the Purchaser's solicitor shall be a registered user of the Teranet Closure System.

19. ELECTRONIC COMMERCE ACT

It is expressly acknowledged and agreed by the parties hereto that: (a) the Vendor's execution and delivery of this Agreement and any schedules, amendments and/or addendums thereto, and any and all documents ancillary thereto, including any documents required or desired in connection with the closing of this purchase and sale transaction (including without limitation, the Vendor's provision and delivery of any notices and/or documents that may be required to be in writing); and (b) the Purchaser's execution and delivery of this Agreement and any schedules, amendments and/or addendums thereto, and any and all documents ancillary thereto, including the acknowledgement of receipt of the executed agreement of purchase and sale, as well as any documents required or desired in connection with the closing of this purchase and sale transaction (including without limitation, the Purchaser's provision and delivery of any notices and/or documents that may be required to be in writing); may be made or manifested in an electronic format, and may be executed by way of an electronic signature of any such documents (undertaken by or through a computer program, or by any other electronic means, including without limitation, by or through DocuSign Inc.'s electronic signing platform, or by any other similar secure electronic application or platform), as expressly contemplated and permitted by the Electronic Commerce Act 2000, S.O. 2000, as amended, and as and when any such document(s) is/are executed by way of an electronic signature, same shall thereupon be deemed to be valid, binding and enforceable upon the party or parties so executing same electronically. For purposes of clarification, the terms "electronic signature" and "electronic" shall have the meanings respectively ascribed to such terms in the Electronic Commerce Act 2000, S.O. 2000, as amended. If and when either or both of the parties hereto executes this Agreement by or through DocuSign Inc.'s electronic signing platform (or by any other similar secure electronic application or platform), then such party or parties shall, upon the request of the other, be obliged to forthwith provide the other party hereto with a certificate of completion produced or issued by DocuSign Inc. (or any similar certificate issued by any other secure electronic platform) which confirms, verifies and/or validates the electronic signature of the party or parties so executing same electronically. **Notwithstanding anything hereinbefore provided to the contrary, it is expressly understood and agreed that the Purchaser shall nevertheless be obliged to provide and deliver to the Vendor's Solicitors at least one originally-signed HST New Housing Rebate Form (and not an electronically-signed version thereof, nor a photocopy, a telefaxed copy or a scanned/e-mailed copy thereof) in connection with the final closing of this purchase and sale transaction.** It is expressly acknowledged and agreed by the parties hereto that a photocopy or a scanned and e-mailed copy of this executed Agreement may be relied upon (and correspondingly enforced) to the same extent as if it were an originally-executed version..

SCHEDULE "A"

FEATURES AND FINISHES

Purchase Price to Include:

1. Selection of exterior colours including brick, aluminum, roof, etc. has been pre-selected by the Vendor as a result of the Urban Design Guidelines provisions.
2. Self sealing asphalt shingles.
3. Windows are fully caulked and are installed with a vapour barrier.
4. Insulated metal front entry door with weatherstripping.
5. Sectional roll-up attached garage door.
6. Cold cellar, as per plan. Aluminum soffits, fascias and eavestroughs, as per plan.
7. Thermopane energy efficient (low "E" argon) qualified vinyl casement windows on ground, main and third floor except for garage and basement. Basement windows will be double glazed where applicable per plan.
8. Screens provided on all operating windows.
9. Poured concrete basement walls.
10. Driveway to be paved asphalt. (Vendor will provide base coat asphalt) The finished coat will be completed by the Vendor at the Purchaser's expense (not refundable) to be adjusted on closing.
11. Lot to be graded and sodded to requirements of the Municipality.
12. Two exterior water service taps; one in the garage and one at the rear or side, as per plan.
13. Three exterior electrical outlets; one in the garage and one weatherproof outlet at the front and rear (as per plan) and all accessible second floor balconies, as per plan.
14. Pre-cast cement slabs from driveway to front entrance.
15. Exterior walls, ceiling, and basement to be insulated to Ontario Building Code standards.
16. 2' x 6' exterior wood frame construction.
17. 5/8" or 3/4" tongue and groove subflooring throughout ground, main and third floor, as per plan screwed down and joints sanded with an advanced Engineered Floor Joist System.
18. Oak main staircase to feature oak stringers, handrail and pickets in natural finish from ground floor to main floor and main floor to third floor, as per plan excluding stairs to basement and landings. *City Towns (condominium units) will include Oak main staircase to feature oak stringers, handrail and pickets in natural finish, from lower floor to ground floor.
19. 8' ground floor ceilings and 9' main and third floor ceilings, as per plan. *City Towns (condominium units) – 8' Lower Floor, 9' Ground, Main and Third Floors.
20. Broadloom and underpad on third floor excluding staircase to all non-tiled areas, as per plan.
21. 2 1/4" Red Oak solid oak flooring from Vendor's standard samples on ground floor and main floor including main staircase landings to all non-tiled areas.
22. Two panel doors and trim with quality hardware. Arches to be trimmed on main floor.
23. Sprayed and stippled ceilings in all rooms except kitchen (as permitted per plan), bathrooms and main floor laundry room, as per plan.
24. All interior walls, trim and doors painted with low VOC paint throughout, off white.
25. Ceramic floor tile in the front vestibule, foyer (as per applicable plan), laundry room (if on ground, main or third floor), powder room, main and ensuite bathrooms (as per plan) from Vendor's standard samples.
26. Custom cabinets on bathroom vanities, as per plan selected from Vendor's standard samples. Extra height master ensuite bathroom vanity and extra height kitchen upper cabinets, as per plan.
27. Post formed arborite countertops on bathroom vanities, as per plan selected from Vendor's standard samples. *Primary Level countertop with standard edge from Vendor's standard samples in kitchen and servery, as per plan.
28. Kitchen includes double stainless-steel sink with single lever faucet and hood fan ducted to outside.
29. Ceramic wall tiles in bathtub enclosure, as per plan. Bathrooms with separate shower stall have tiles around the tub and tiles to ceiling in shower stall, as per plan.
30. Ceramic bathroom accessories.
31. Plumbing fixtures in bathrooms.
32. Single shower controls in all tubs and showers to feature temperature control valve.
33. Chrome finish single lever taps on all sinks, basins and bathtubs excluding laundry tub.
34. Pedestal sink and mirror in powder room, as per plan.
35. Mirror in bathrooms and powder rooms.
36. Electrical service with circuit breaker panel including heavy duty cable and outlet for stove and dryer as per the Ontario Building Code.
37. Electric door chime.
38. Smoke detectors on all levels as per Ontario Building Code standards and one carbon monoxide detector.
39. Prewire for telephone service.
40. Prewire for two (2) TV outlets, as per plan.
41. Prewire for future home automation, 1 CAT-5 prewire to terminate in great room from basement, as per plan.
42. Rough-in central vacuum system. Rough-in for future dishwasher (plumbing and electrical).
43. Qualified high efficiency forced air gas furnace and tankless water heater contributing to energy efficiency in the home. (Location may vary from that shown on plan.)
44. Rental of tankless water heater. The purchaser acknowledges that the tankless water heater is a rental and agrees to execute a rental agreement on or before closing.
45. Single fiberglass laundry tub and washer taps, as per plan.
46. Taps installed for automatic washer connection.
47. Warranty as set out by the Tarion Warranty Corporation (TARION).
48. White decora style switches and receptacles throughout.

Purchaser acknowledges that:

1. The Vendor will not allow the Purchaser to do any work and/or supply any material to finish the dwelling before final closing.
2. If an item selected by the Purchaser is not available, the Purchaser must reselect from the Vendor's samples within forty-eight (48) hours of notification, failing which the provisions of the Agreement in respect of an original selection shall prevail.
3. Purchasers are notified that the side door (where applicable) may be lowered to accommodate side yard drainage as per grading or municipality requirements.
4. Laundry room layout and stairs are particularly susceptible to alteration in order to accommodate building code, municipally approved grading and drainage requirements. Purchasers are notified that the number of steps to front entrance and rear entrance, landing and vestibule may be increased or decreased depending on final grading. Purchasers are notified that jogs in walls of rooms may vary from model to model to accommodate structural requirements and/or venting for the house.
5. Main floor laundry room floor, landing and vestibules, where applicable, may be lowered to accommodate entry door(s) at the vendor's discretion (unfinished basement ceiling height or cold cellar height shall be lowered accordingly). Some ceiling heights in various rooms, hallways and bulkheads may be lower than 9', as per plan.
6. Purchaser acknowledges that variations from Vendor's samples may occur in finishing materials, kitchen and vanity cabinets, floor and wall finishes due to normal production process and any variations in colour or grain in natural wood products or manufactured flooring products including but not limited to manufactured laminate, birch, maple, oak flooring is not the responsibility of the Vendor as the flooring finish may not match the stain or finish of stairs, pickets and railings because of the difference of materials used.

SCHEDULE "A"

FEATURES AND FINISHES

7. Purchaser acknowledges that the Tarion Warranty Corporation (TARION) enrolment fee and HCRA FEE are not included in the purchase price.
8. The purchase price has been determined on the assumption that the Purchaser is eligible for the HST new housing rebate and that the Purchaser will assign said rebate to the Vendor in accordance with the terms of the Agreement of Purchase and Sale. In the event that the Vendor does not accept the assignment of the HST new housing rebate in accordance with the terms of the Agreement of Purchase and Sale, the Purchaser acknowledges that it will pay an amount equivalent to the rebate in addition to the purchase price, and shall have the right to claim the rebate amount directly from the CRA should the Purchaser be eligible for said rebate. HST (Provincial and Federal portions) is included in purchase price.
9. SELECTIONS ALREADY MADE ON THE ABOVE ITEMS BY THE BUILDER CANNOT BE CHANGED.
10. EXTERIOR ELEVATION, APPEARANCES AND FINISHINGS WILL BE SIMILAR TO PICTURES OR RENDERINGS BUT MAY NOT NECESSARILY BE IDENTICAL.
11. ALL SPECIFICATIONS ARE SUBJECT TO CHANGE WITHOUT NOTICE. LOT FRONTAGES ON SITE PLAN REFER TO THE MINIMUM WIDTH OF THE LOT AT THE FRONT BUILDING SETBACK.
12. SOME EXTERIOR DETAILS MAY BE IN COMPLIMENTARY MATERIALS OTHER THAN BRICK INCLUDING BUT NOT LIMITED TO SIDE ROOF GABLES.

Notes:

1. Natural products (i.e. granite, wood and marble) are subject to natural variations in colour and grain. Tile is subject to pattern, shade and colour variations.
2. Purchasers must make all finishing selections from the Vendor's standard selections. If the Pot/Lot/Unit/Dwelling is at a stage of construction which will enable the Vendor to permit the Purchaser to make colour and material choices from the Vendor's standard selections, then the Purchaser shall have until the Vendor's date designated by the Vendor (of which the Purchaser shall be given ten (10) days prior notice) to properly complete the Vendor's colour and material selection form. If the Purchaser fails to do so within such time period, the Vendor may irrevocably exercise all of the Purchaser's rights to colour and material selections hereunder and such selections shall be binding upon the Purchaser. No changes whatsoever shall be permitted in colours or materials so selected by the Vendor, except that the Vendor shall have the right to substitute other materials and items for those provided in this Schedule provided that such materials and items are of quality equal to or better than the materials and items set out herein.
3. References to model types or model numbers refer to current manufacturer's models. If these types or models change, the Vendor shall provide an equivalent model.
4. All dimensions, if any, are approximate. Actual useable floor space may vary from the stated floor area, if so stated,
5. All features, finishes, specifications and materials are subject to change without notice.
6. Pursuant to this Agreement or this Schedule or pursuant to a supplementary agreement or purchase order, the Purchaser may have requested the Vendor to construct an additional feature within the Pot/Lot/Unit/Dwelling which is in the nature of an optional extra (such as, by way of example only, a fireplace). If, as a result of building, construction or site conditions within the Pot/Lot/Unit/Dwelling, the Vendor is not able to construct such extra, then the Vendor may, by written notice to the Purchaser, terminate the Vendor's obligation to construct the extra. In such event, the Vendor shall refund to the Purchaser the monies, if any, paid by the Purchaser to the vendor in respect of such extra, without interest and in all other respects this agreement shall continue in full force and effect.
7. Floor and specific features will depend on the Vendor's package as selected.
8. The Purchaser acknowledges that the exposed texture of the concrete ceiling finish is equivalent to concrete forming industry standards.
9. The Vendor shall have the right to substitute other products and materials for those listed in this Schedule, represented to the Purchaser or provided for in the plans and specifications provided that the substituted products and materials are of a quality equal to or better than the products and materials so listed or so provided. The determination of whether or not substituted materials and products are of equal or better quality shall be made by the Vendor's architect, whose determination shall be final and binding.
10. Colour, grain, texture and appearance, etc. of features and finishes installed in the Pot/Lot/Unit/Dwelling may vary from Vendor's samples as a result of normal manufacturing and installation processes. Sizes and specifications subject to change without notice.
11. All suites protected by the Tarion Warranty Corporation.

E. & O.E.

The purchaser acknowledges receipt of the aforementioned Features and Finishes in Schedule "A".

SCHEDULE "B"

1. The Purchaser acknowledges that the Plan of Subdivision herein may not yet be registered and that in order to register same, it may be necessary for the Vendor/Subdivider/Builder to enter into such agreements (the "Subdivision Agreement") with the City of Ajax (the "Town"), Dufferin County and/ or any other governmental body or neighbouring land owners and provide such easements, including but not limited to utility/maintenance easements, rights of entry and restrictions as may be required. Such agreements may also require that warning clauses, neighbourhood plans showing, among other things, the location of fencing and sidewalks within the subdivision and various other provisions be inserted in Agreements of Purchase and Sale for the sale of lots within the Subdivision. The Purchaser acknowledges that the location of any fencing and/or sidewalks whether shown on Schedule "S" attached to this Agreement of Purchase and Sale and/or the Display Map and/or Land Use Plan displayed in the Sales Centre and/or any Site Plan or Site Plan handout given to the Purchaser at the Vendor's Sales Centre or any other plan/sketch given to the Purchaser is tentative and may be changed during the planning process. The Purchaser agrees to accept the final location of the fencing and/or sidewalks as will be shown on the final Town approved engineering drawings and will grant the Vendor access to the Property so that it may install or construct same. The Purchaser hereby acknowledges and agrees that he will accept title subject to any agreements, easements, rights of entry, restrictions, etc., as may be presently registered on title or as may be registered on title on or before closing and, without limiting what may be contained elsewhere in the herein Agreement of Purchase and Sale, hereby undertakes and agrees to execute forthwith upon request such documentation as may be required by the Town, and/or Vendor/Subdivider/Builder including in order to facilitate the completion of this transaction and/or satisfy all governmental and/or other requirements as may in the opinion of the Vendor be deemed appropriate and execute forthwith upon demand an acknowledgment of receipt of such warning clauses, neighbourhood plans and other provisions which will form a part of the herein Agreement of Purchase and Sale.

All building models, elevation, sitings and colour packages may be subject to change prior to final approval by the Architectural Control Committee and the Town's Planning and Development Department.

The purchaser acknowledges receipt of the following Warning Clauses and Notice Provisions:

The Purchaser/Tenants acknowledge that the Subdivision Agreement and the Site Plan Agreement entered into between the Subdivider and the municipality may require the Vendor to provide the Purchaser/Tenants with certain notices, including, but not limited to, land usage, maintenance of municipal fencing, school transportation (including the bussing or transportation of students to schools outside of the neighbourhood), noise levels from adjacent roadways, noise and/or vibration levels from nearby railway lines, the absence of door-to-door mail delivery, the absence of local or neighbourhood schools, the location of "super mailboxes", fencing, street trees, catch basins, all of which may be included on the property or on the boulevard adjacent to the property, and in general, any other matter that may be deemed by the municipality to inhibit or interfere with the enjoyment by the Purchaser/Tenants of the property. The Purchaser/Tenants agree to be bound by the contents of the Subdivision Agreement and Plan of Condominium Agreement or any other municipal agreement wherein such warning clauses are more fully set out and the Purchaser/Tenants covenants to execute forthwith upon request by the Vendor, an acknowledgment of receipt by the Purchaser of such notices and/or an amendment to this Agreement including such warning clauses and all schedules, plans, statements attached to the agreement and as required by the subdivision agreement, and the Purchaser's acknowledgment of receipt of same.

The Purchaser further acknowledges that it is anticipated by the Vendor that in connection with the Vendor's application to the appropriate governmental authorities for draft subdivision, draft plan of condominium and site plan approval, as well as other development agreements, certain requirements may be imposed upon the Vendor by various governmental authorities. These requirements (the "**Requirements**") usually relate to warning provisions to be given to Purchasers in connection with environmental or other concerns (such as warnings relating to noise levels, the proximity of the buildings to major streets, garbage storage and pickup, school transportation, and similar matters). Accordingly, the Purchaser covenants and agrees that: (i) the Vendor shall be permitted to provide the Purchaser with notice of any such Requirements and such Requirements shall be deemed to form part of the Agreement of Purchase and Sale; (ii) on any closing date, as determined by the Vendor, the Purchaser shall execute any and all documents required by the Vendor acknowledging, inter alia, that the Purchaser is aware of the Requirements and that the Requirements form part of the Agreement of Purchase and Sale; and (iii) if the Vendor is required to incorporate the Requirements into the final condominium documents the Purchaser shall accept the same, without in any way affecting this transaction.

PART 1 – GENERAL NOTICE PROVISIONS

The following Warning Clauses and Notice Provisions are for the information of purchasers and tenants of all lots (hereinafter referred to as "Lots") and blocks to be shown on Registered Plan 40MXXXX, which blocks are intended to include freehold lots tied to interests in a Plan of Common Elements Condominium (hereinafter referred to as parcel of tied land ("Potsl") and units on a Plan of Standard Condominium (hereinafter referred to as "Units").

A. DRAFT PLANS AND PLAN OF CONDOMINIUM

Purchasers/Tenants are hereby advised that the Vendor's marketing material and site drawings and renderings ("**Marketing Material**") which they may have reviewed prior to the execution of this Agreement remains conceptual and that final building plans are subject to the final review and approval of any applicable governmental authority and the Vendor's design consultants and engineers, and accordingly such Marketing Material does not form part of this Agreement or the Vendor's obligations hereunder.

Purchasers/Tenants are hereby advised and put on notice that noise attenuation barriers, trees, retaining walls, meters, metering structure, light fixtures, perimeter fencing, decorative fencing, privacy fencing, catch basins, water mains and landscaping may be located within the lands comprising their Lots, Potsl or Units or within common element areas adjacent to their Potsl or Units. Such installations shall not be altered or removed. It shall be the responsibility of owners of Lots, Potsl or Units to maintain and repair any such installations located within their Lots, Potsl or Units, unless such responsibility is specifically allocated to a condominium corporation in a condominium's Declaration.

Purchasers/Tenants are hereby advised and agree that the Vendor (and any of its authorized agents, representatives and/or contractors), as well as one or more authorized representatives of the Condominium, shall be permitted to enter Potsl and Units after closing from time to time, in order to enable the Vendor to correct outstanding deficiencies or incomplete work for which the Vendor is responsible.

Purchasers/Tenants are hereby advised that their Potsl and Units may be subject to various easements in the nature of a right of way in favour of the Condominium, utility suppliers, governmental authorities, adjoining and/or neighbouring land owners for utilities, services, construction and to permit ingress and egress to those properties.

Purchasers/Tenants are hereby advised that the cost of refuse and recycling collection for Potsl and Units, whether ultimately private or public, will be included in the budget of the condominiums and all Potl and Unit owners will share such costs proportionally in accordance with Schedule D of the Declaration.

Purchasers/Tenants are hereby advised that Potl and Unit owners and their successors in title will be responsible for the provision, construction, maintenance and repair of the common elements through the provisions of the *Condominium Act, 1998*, including but not limited to the private sanitary and storm sewer systems and common roadways.

Purchasers/Tenants are hereby advised and agree to be solely responsible for watering of all sod and for general maintenance of all

hard and soft landscaping within their Lots, Potls or Units.

B. ASSUMPTION OF THE SUBDIVISION

Purchasers/Tenants are hereby advised that "Assumption of the Subdivision" by the Town may not occur until 5 years after occupancy and the issuance of a Certificate of Acceptance from the Commissioner of Public Works / Commissioner of Planning and Development pursuant to Section 46 of the Subdivision Agreement that must be complied with prior to assumption by the Town.

Purchasers/Tenants are hereby advised that the Vendor shall not require or allow purchasers of Lots, Potls or Units to pave the driveways prior to assumption without the prior written permission from the Town.

C. DURHAM DISTRICT SCHOOL BOARD AND DURHAM CATHOLIC SCHOOL BOARD

Purchasers/Tenants are hereby advised that school children from this development may have to be transported to existing schools. Although a site in the area has been reserved for a school building, a new school may not be built for several years and it will be only when the number of students from a geographical attendance area warrants the new accommodation, and then only if the Ministry of Education and Training authorizes funding and construction of this required school. The standard Durham District School Board approved "Notice to Parent" will be in all sales representation centres.

Purchasers/Tenants are hereby advised that temporary facilities/portables may be placed on the school site in order to accommodate students in excess of the capacity of the school building.

Purchasers/Tenants are hereby advised that the construction of a Catholic School on a designated site is not guaranteed. Purchasers are advised that sufficient accommodation may not be available for students residing in this area, and you are notified that students may be accommodated in temporary facilities and/or bussed to existing facilities outside the area. The Board will in its discretion designate pick-up points for students who qualify for transportation.

D. STANDARD CONDOMINIUM UNITS

Purchasers of Units are hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser or other residents of the Unit, and accordingly the Purchaser should arrange for his or her own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense, and in accordance with the Occupancy License appended to and forming part of the Agreement of Purchase and Sale.

E. NOISE

Purchasers/Tenants are hereby advised and agree that the Plan of Subdivision/Plan of Condominium will be developed in accordance with any requirements that may be imposed, from time to time, by any of the governmental authorities. The Purchaser/Tenant further acknowledges that the proximity of the Subdivision/Condominium to major arterial roads (namely, the Macdonald-Cartier Freeway (highway 401), Salem Road and Bayly Street East) as well as to public transit services and buses, may result in noise and/or vibration transmissions to the Property, and may cause noise exposure levels affecting the Property to exceed the noise criteria established by the governmental authorities, and that despite the inclusion of noise control features within the Plan of Subdivision/Plan of Condominium, noise levels from the aforementioned sources may continue to be of concern, occasionally interfering with some activities of the residential dwelling occupants. The Purchaser nevertheless agrees to complete this transaction in accordance with the terms hereof, notwithstanding the existence of such potential noise concerns, and the Purchaser further acknowledges and agrees that a noise-warning clause similar to the preceding sentence (subject to amendment by any wording or text recommended by the Vendor's noise consultants or by any of the governmental authorities) may be registered on title to the Lots, Potls or Units on closings, if, in fact, same is required by any of the governmental authorities.

Purchasers/Tenants are hereby advised that fencing along the lot lines of Lots and Blocks abutting public lands is a requirement of this Plan of Subdivision/Plan of Condominium and that all required fencing, noise attenuation feature and barriers shall be constructed with all fencing materials, including foundations, completely on private lands and totally clear of any 0.3 metre reserve.

Purchasers/Tenants are hereby advised that the maintenance of the noise attenuation feature or fencing shall not be the responsibility of the Town, or the Region of Durham and shall be maintained by the Owner until assumption of the services of the Plan. Thereafter the maintenance of the noise attenuation feature or fencing shall be the sole responsibility of the owners of the applicable Lots, Potls or Units. Landscaping provided on Regional Road right-of-ways by the Owner or the Town for aesthetic purposes shall be approved by the Region and maintained by the Town with the exception of the usual grass maintenance.

Purchasers are advised that noise, traffic, light and/or odour levels from nearby office, commercial and/or retail businesses (including the business named Ajax Automotive Services), as well as fire hall, schools and hospital, may be of concern and occasionally interfere with some activities of the dwelling occupants. Purchasers are advised that sound levels may exceed the Municipality's and the Ministry of Environment's noise criteria.

Purchasers are advised that a undeveloped open space is located in proximity to the development, and therefore, noise, odour, light and/or activity may be noticeable from such areas and may occasionally interfere with some activities of the dwelling occupants and tenants, and visitors, guests and invitees thereof. Purchasers acknowledge that they have considered the proximity of their dwellings to such open space.

F. CANADA POST

Purchasers/Tenants are hereby advised that mail delivery will be from a designated Community Mailbox as per requirements dictated by Canada Post. The location of the mailbox shall be shown on the community plan provided by the Owner in its Sales Office.

G. SNOW REMOVAL

Purchasers/Tenants are hereby advised that in the case of heavy snow falls, the limited storage space available on the property may make it necessary to truck the snow off site and the cost of same will be added as common expense fees for Potl and Unit owners.

H. PARKS, LANDSCAPING AND OPEN SPACE

Purchasers/Tenants are hereby advised that a park shall be located and constructed on Block 9 (Park Block) and on the portion of the stopped-up and closed Porte Road right-of-way.

Purchasers/Tenants are hereby advised that any parks and open spaces shown within the Plan of Subdivision/Plan of Condominium may or may not include future facilities for active and/or passive recreational use. This decision shall be at the sole discretion of the Town of Ajax.

Purchasers/Tenants are hereby advised that the installation, replacement and reconfiguration of fencing will be governed by the terms of the Declaration as well as any standards set by the Town of Ajax or other governmental authorities from time to time.

I. FENCING, GATES, RETAINING WALLS, DRAINAGE SYSTEMS, etc.

Purchasers/Tenants are hereby advised that fencing along the lot lines of Lots and Blocks abutting public lands is a requirement of this Plan of Subdivision/Plan of Condominium and that all required fencing, noise attenuation feature and barriers shall be constructed with all fencing materials, including foundations, completely on private lands and totally clear of any 0.3 metre reserve.

Purchasers/Tenants are hereby advised that they will be notified of any lot or block within the Plan of Subdivision/Plan of Condominium requires the construction or installation of a retaining wall, entry gate features, fences, noise barrier, drainage easements, culverts, drains or catch basins.

Purchasers/Tenants are hereby advised that based on current servicing plans, split drainage may be required for their Lots, Potls or Units or common elements appurtenant to their Potl or Unit.

Purchasers/Tenants are hereby advised that the owner from time to time of any lot or block upon which a retaining wall, noise barrier or fences have been constructed shall be responsible to maintain same.

J. ENGINEERING DESIGN

Purchasers/Tenants are hereby advised that based on current servicing plans, underground services (including hydro, water and gas systems), street furniture and fixtures, including without limitation, hydro transformers, street lighting, light standards, fire hydrants, and cable, telephone and/or tap boxes may be adjacent to or located within their Lots, Potls or Units or common elements appurtenant to their Potl or Unit. The Vendor reserves the right to re-locate such services if it deems it necessary or expedient to do so, in its sole, absolute and unreviewable discretion.

Purchasers/Tenants are hereby advised that any enquiries dealing with the proposed engineering design, lot grading, utility locations or general construction can be directed to Town of Ajax Building Approvals and Engineering Services Section at 619-2529 Ext. 3232.

Purchasers/Tenants are hereby advised that residents, visitors and owners of Potls or Units are absolutely prohibited from altering the grading and/or drainage patterns established by the Vendor in respect of the Condominium, and subject to the provisions of the Declaration, by-laws and rules of the Condominium in force from time to time, residents shall not place any tree, fence, shrub, bush, hedge or other landscaping treatment on any portion of the common elements.

Purchasers and/or tenants are advised that this Plan of Subdivision/Plan of Condominium is designed to include rear lot catchbasins. The rear lot catchbasin is designed to receive and carry only clean stormwater. It is the homeowner's responsibility to maintain the rear lot catchbasin in proper working condition by ensuring that the grate is kept clear of ice, leaves and other debris that would prevent stormwater from entering the catchbasin. The locations of rear lot catchbasins are subject to change without notice.

K. TRAFFIC CALMING DEVICES

Purchasers/Tenants are hereby advised that this development may be required to accommodate traffic calming devices which may include any or all of the following: median islands, chicanes, lay-bys, bump-outs, speed humps or other similar devices as determined by the Town of Ajax. The location of these devices will directly affect the on-street parking supply and driveway access in the vicinity of these devices. The decision to provide for traffic calming shall be at the sole discretion of the Town of Ajax.

L. UTILITIES

Purchasers/Tenants are hereby advised that the Telecommunications Act and the CRTC authorize telephone and telecommunication facilities and services to be provided by telecommunication carriers other than traditional carriers for such services and that purchasers and tenants are advised to satisfy themselves that such carriers servicing the lands provide sufficient service and facilities to meet their needs.

Purchasers/Tenants are hereby advised that all Lots, Potls or Units are intended to have gas, water and hydro meters servicing the Lots, Potls or Units, which may be located outside either at the front or rear of each dwelling, but are subject to approval and/or variation by utility and governmental authorities. Alternatively, such meters may be "ganged" together and attached to or in proximity to the exterior of dwellings. The location of the utility meters is currently preliminary and subject to approval and/or variation by the local utilities.

Purchasers/Tenants are hereby advised that the hot water heater and related equipment within the Lots, Potls or Units may be rented/leased and the Purchaser agrees on or before closing to enter into a lease agreement with such company selected by the Vendor for the lease of same, to execute such documents and other assurances as are required to give effect to same and to be responsible for the costs related thereto. It is possible that said water heater will be a tankless or demand-type water heater.

M. SUBDIVISION AGREEMENT

The following warning clauses may be required to be included in all offers of purchase and sale. The section of Subdivision Agreement that requires the clause is in italics in brackets.

In the event any lot or block within the Plan requires the construction or installation of a retaining wall, entry gate features, fences, noise barrier, drainage easements, culverts, drains or catch basins, the Owner shall give notice of same in all offers of purchase and sale agreements for such lot or block. The Owner shall also give notice in all offers of purchase and sale that the owner from time to time of any lot or block upon which a retaining wall, noise barrier or fences have been constructed shall be responsible to maintain same. *(20(4))*

The Owner agrees to insert a notice in all agreements of purchase and sale for any dwelling unit in the Plan as follows:

"This development may be required to accommodate traffic calming devices which may include any or all of the following: median islands, chicanes, lay-bys, bump-outs, speed humps or other similar devices as determined by the Town of Ajax. The location of these devices will directly affect the on-street parking supply and driveway access in the vicinity of these devices. The decision to provide for traffic calming shall be at the sole discretion of the Town of Ajax." *(Schedule D, 1(x))*

The Owner agrees to insert a notice in all agreements of purchase and sale for any dwelling unit in the Plan and in the sales office as follows:

"Any parks and open spaces shown within this plan of subdivision may or may not include future facilities for active and/or passive recreational use. This decision shall be at the sole discretion of the Town of Ajax." *(Schedule D, 3(vii))*

to insert the following clause in the sale and purchase agreement for each dwelling within the Plan;

"School Children from this development may have to be transported to existing schools. Although a site in the area has been reserved for a school building, a new school may not be built for several years and it will be only when the number of students from a geographical attendance area warrants the new accommodation." *(Schedule G, 1(4))*

The Owner agrees to insert a notice in the agreement of purchase and sale for any lot in the Plan advising the purchaser that mail delivery will be from a designated Community Mailbox. The Owner shall be responsible for advising each homeowner in

the Plan as to the location of the Community Mailbox to be used by such homeowner. (Schedule G, 4(3))

N. SITE PLAN AGREEMENT

The following warning clauses may be required to be included in all offers of purchase and sale. The section of Site Plan Agreement that requires the clause is in italics in brackets.

The Owner agrees to insert the following clause in the sale and purchase agreement for each dwelling within the Plan;

"Students from this area may have to attend existing schools. Although a school site has been reserved in the area of the subject draft plan; a school may not be built for some time, if at all, and then only if the Ministry of Education and Training authorizes funding and construction of this required school." (Schedule E, 1)

The Owner agrees to insert a notice in the agreement of purchase and sale for any lot in the advising the purchaser that mail delivery will be from a designated Community Mailbox. The Owner shall be responsible for advising each homeowner in the Plan as to the location of the Community Mailbox to be used by such homeowner. (Schedule E, 4)

PART 2 – SPECIFIC NOTICE PROVISIONS

A. NOISE

- **POTLS #1-5 and #59-70 and UNITS 1-52**

Purchasers/Tenants are hereby advised that sound levels due to increasing road and rail traffic may occasionally interfere with some activities of the dwelling occupants as the sound levels exceed the Municipality's and the Ministry of the Environment, Conservation & Park's noise criteria.

This dwelling unit has been supplied with a central air conditioning system which will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the Municipality's and the Ministry of the Environment, Conservation & Park's noise criteria.

- **ALL DWELLING UNITS IN BLOCKS #1 TO #6 AND POTLS #6-17, #40-58, #18 – 39, AND #71-122**

Purchasers/tenants are hereby advised that sound levels due to increasing road and rail traffic may occasionally interfere with some activities of the dwelling occupants as the sound levels exceed the Municipality's and the Ministry of the Environment, Conservation & Park's noise criteria.

This dwelling unit has been designed with the provision for adding central air conditioning at the occupant's discretion. Installation of central air conditioning by the occupant in low and medium density developments will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the sound level limits of the Municipality and the Ministry of the Environment, Conservation & Parks.

- **POTLS #59-70**

Purchasers/tenants are hereby advised that this dwelling unit has been constructed with a 2.1m high acoustic fence to shield the outdoor living areas.

B. STORMWATER EASEMENT

- **POTL #59-70**

Purchasers/Tenants are hereby advised that a stormwater management sewer is installed in the rear yard of this dwelling unit. A Regional Easement is placed over the rear yards of this dwelling unit.

C. REAR LOT STORMWATER MANHOLE

- **POTL #59**

Purchasers/Tenants are hereby advised that a stormwater management manhole is installed in the rear yard of this dwelling unit. A Regional Easement is placed over the rear yards of this dwelling unit.

D. REAR LOT CATCHBASINS

- **POTL #70**

Purchasers/Tenants are hereby advised that a stormwater management catchbasin is installed in the rear yard of this dwelling unit. A Regional Easement is placed over the rear yards of this dwelling unit.

E. DECORATIVE METAL FENCE

- **UNITS 12, 13, 24, 25, 36 and 37 and Block 1-3 and 9**

Purchasers/Tenants are hereby advised that a 1.2 metre high decorative fence is located entirely inside the property line and that the said decorative fence shall not be altered or removed. It shall be the obligation of the dwelling unit owner to maintain and keep in repair the decorative fence.

F. WOODEN SCREEN FENCE

- **POTLS #59-70**

Purchasers/Tenants are hereby advised that a 1.8 metre high wood screen fence is located entirely inside the property line of this lot and that the said wood screen fence shall not be altered or removed. It shall be the obligation of the dwelling unit owner to maintain and keep in repair the portion of the wooden screen fence situated along the side/rear lot line of the lot.

G. COMMUNITY MAILBOXES

- **POTL #70 and UNIT 52**

Purchasers/Tenants are hereby advised that Community Mailboxes are proposed to be located in front of and/or on the flankage side of the lots and the final location of the Community Mailboxes has not yet been confirmed.

H. HIGH DENSITY RESIDENTIAL (BLOCK 8) AND GAS BAR/ CAR WASH/ CONVENIENCE COMMERCIAL (BLOCK 10)

- **All Potls and Units**

Purchasers/Tenants are hereby advised that Block 8 on Plan 43M XXXX may be developed as a High Density Residential use.

Purchasers/Tenants are hereby advised that Block 10 on Plan 43M XXXX may be developed as a Gas Bar/ Car Wash/ Convenience Commercial use.

- **All Potls and Units**

Purchasers/Tenants are hereby advised that Residents near the High Density Residential Block and/or the Gas Bar/ Car Wash/ Convenience Commercial may experience noise, lighting or other impacts and activities associated with the uses.

NOTE: all references to lots, units, potls and blocks are based on the numbering shown on the site plan attached to the agreement of purchase and sale.

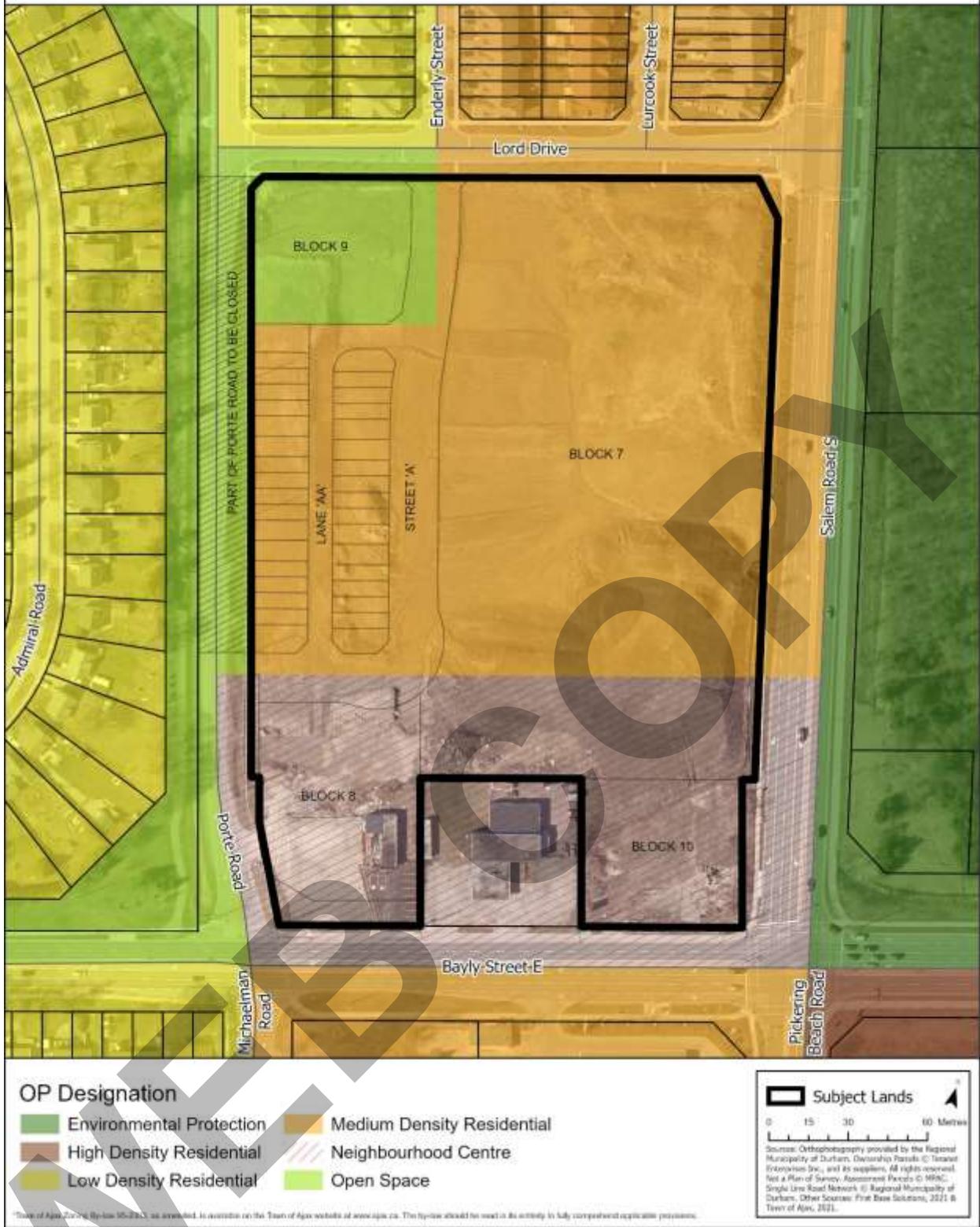
The purchaser acknowledges receipt of the aforementioned Warning Clauses and Notice Provisions in Schedule "B".

Purchaser

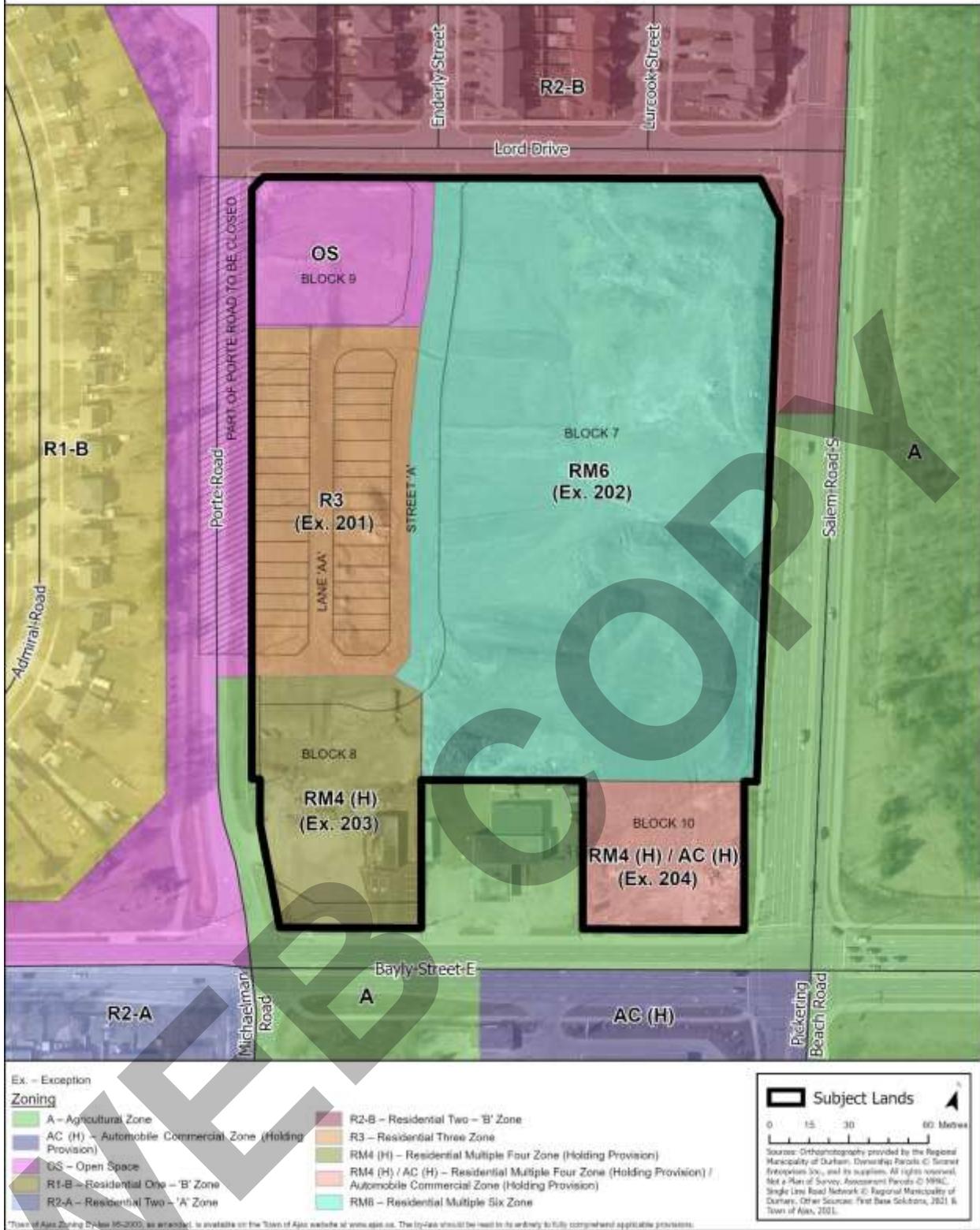
Purchaser

WEB COPY

Official Plan Land Use – excerpt of the Town of Ajax Official Plan Land Use Schedule A-1



Zoning Schedule - excerpt of Town of Ajax Zoning By-law 95-2003, as amended



SCHEDULE "C"

1. The Purchaser acknowledges that the Dwelling to be erected upon the said property is located in a construction site. The Purchaser agrees not to enter upon said property without a) the builder's permission and b) without the appropriate head and footwear if such permission is received. The Vendor in its absolute discretion may invite the Purchasers or one of them as the Vendor deems appropriate to visit and view the dwelling unit with a representative of the Vendor prior to drywall being installed provided that construction timing and weather conditions permit. The Purchaser covenants and agrees that should such entry be permitted by the Vendor, the Purchaser shall enter the premises at their own risk and shall not be permitted entry without wearing all required safety apparel including without limiting the generality of the foregoing safety boots and hard hat and any other apparel that may be required by any governmental authority. The Vendor shall supply hard hat and safety boots to Purchasers at no expense to the Purchasers. The Purchasers covenant and agree that the Vendor assumes no responsibility or liability for any injury that may occur to any Purchaser and the Purchasers acknowledge and confirm that they assume all liability and responsibility for any injury which they may suffer or incur as a result of such entry. The Purchasers also acknowledge that such entry shall only take place in the presence of and under the supervision of a representative of the Vendor and any visit may be terminated by the Vendor's representative in their sole and absolute discretion. Save as set out herein and in this Agreement, no other entry shall be permitted by the Purchaser to the dwelling until closing. The Purchasers further covenant and agree to execute any form of Release prior to such entry that may be required by the Vendor.
2. The Purchaser acknowledges that, in any event, no children under the age of 16 shall be allowed on the said property prior to closing.
3. Should the Purchaser enter upon the property without proper permission and safety apparel, the Purchaser agrees to indemnify and save the Vendor harmless from the consequences of any actions or claims brought against the Vendor including under the Occupational Health and Safety Act, and the Vendor will assume no responsibility for any actions or claims brought against the Purchaser including under the Occupational Health and Safety Act.
4. The Purchaser shall indemnify and save the Vendor, its servants and agents harmless from any action, causes of action, claims or demands for, upon or by reason of any damage, loss or injury to person or property of the Purchaser, or any of his friends, relatives, workmen or agents who have entered on the Real Property or any part of the subdivision of which the Real Property forms a part whether with or without the authorization, express or implied, of the Vendor.
5. The Purchaser agrees that if the Vendor is required to install air conditioning on the Real Property pursuant to the terms of the Subdivision Agreement, then the Purchaser shall pay to the Vendor on closing the cost of such air conditioning, including taxes thereon.
6. The Purchaser covenants and agrees that it shall not enter into any arrangement directly or indirectly with any sub-trade employed by the Vendor in the construction of the Dwelling for the purpose of performing, prior to closing, any additional work or upgrades required by the Purchaser. The Purchaser shall not do any work on the premises before closing either alone or by trade or sub-trade without the Vendor's written permission. If the Purchaser obtains the Vendor's written permission, the Purchaser agrees that the Vendor shall not be responsible for any delays in completion occasioned by the Purchaser's work on the Dwelling prior to closing, and the closing date will remain the same as set out in the Agreement of Purchase and Sale or any amendment thereto. Further, the Vendor shall have no responsibility whatsoever with respect to any incomplete or deficient works or damages resulting therefrom which occurs as a result of any work done by the Purchaser prior to closing and the Purchaser further acknowledges and agrees that the work done by the Purchaser, trade or sub-trade is not covered by Vendor's Guarantee or by Tarion. The Purchaser further covenants and agrees that any work done after closing on the Dwelling at the Purchaser's request by any trade or sub-trade, whether or not employed by the Vendor, shall not be covered by the Vendor's Guarantee or by Tarion. The Purchaser shall not, prior to closing, enter upon the property unless accompanied by a representative of the Vendor. This clause shall not merge on the closing of the sale transaction but shall survive same.

The Purchaser acknowledges that breach of its obligations contained in this Agreement, including, without limitation, the Purchaser failing to make its colour and material choices within the time frame provided for herein shall result in termination of the herein Agreement at Vendor's option, or if the Vendor does not elect to terminate this Agreement as aforesaid it has the right to complete the Dwelling without regard to the Purchaser's actions and the Purchaser shall indemnify the Vendor for any losses or damages it may suffer as a result of the Purchaser's breach as aforesaid including all compensation that may be payable by the Vendor to the Purchaser for any delay in closing pursuant to the Tarion requirements and any additional costs incurred by the Vendor and, in this regard, the Vendor shall be entitled to credit itself with same on the Statement of Adjustments.

7. The Purchaser is advised that the exterior elevation, appearances and finishings will be similar to pictures or renderings but may not necessarily be identical. The Purchaser acknowledges Vendor's advice that at Vendor's discretion door swings may be different from those indicated on brochures and agree to accept door swings as adjusted at Vendor's discretion.
8. The Purchaser agrees and acknowledges that in addition to the purchase price and those matters provided for elsewhere in the Agreement of Purchase and Sale, he also agrees to pay on closing as an adjustment all costs incurred by the property for the following: Hydro, cable, phone and/or water connections and/or installation costs for the real property, internal lot service, water and hydro meter charges, hydro trenching, cost to register Application to Delete Restrictions, Canada Post super mailbox fee, (if applicable) tree planting as required for the entire subdivision pursuant to the Subdivision Agreement pro-rated on a per lot basis, whether or not the subject lot has any such tree or trees, Real Estate Transaction Levy. The costs of the foregoing shall be absolutely determined by the Vendor and pro-rated where applicable and shall be paid, by way of adjustment, on closing by the Purchaser in accordance with a Statutory Declaration executed by an officer or employee of the Vendor setting forth the cost of each of the foregoing and delivered to the Purchaser on or before closing. The parties agree that the maximum costs to the Purchaser of the items set out in this paragraph shall be One Thousand Seven Hundred (\$1,700.00) Dollars, except if the property being purchased herein is a corner lot, which will require flankage fencing in which case the maximum cost to the Purchaser shall be Two Thousand Seven Hundred (\$2,700.00) Dollars. The Purchaser agrees to pay all relevant taxes in connection with the subject purchase transaction which shall be in addition to the purchase price and may be included on the Statement of Adjustments.
9. The Purchaser agrees to pay on the closing of the above-noted transaction to the Vendor the sum of Six Hundred and Fifty (\$650.00) Dollars for the paving of a double driveway and Four Hundred and Fifty (\$450.00) Dollars for the paving of a single driveway.
10. The Purchaser further agrees to pay on closing the sum of Five Hundred (\$500.00) Dollars for grading the property in accordance with the requirements of the Municipality. (please initial).
11. The Purchaser acknowledges that if the Vendor is required to construct a fence at the rear or side of the Property in accordance with the terms of the Subdivision Agreement for this Property, then the Purchaser will pay to the Vendor, on closing, the sum of Five Hundred Dollars (\$500.00) for the fence erected or to be erected on the Property.
12. The Purchaser of the above-noted property hereby acknowledges that the Vendor will not be installing decks of any kind from any sliding glass doors or any other opening of any kind located on the subject dwelling and will only be installing safety guard rails across the said sliding glass doors or any other opening of any kind on the subject dwelling. All doorguards will be painted black and secured through the exterior finish.
13. The purchaser hereby further acknowledges that any deck installed on the subject dwelling will be installed by the Purchaser, at its expense, after closing. (initial)
14. The Purchaser agrees to complete the herein transaction notwithstanding the existence on the Property of any retaining wall, catchbasins or infiltration trenches required pursuant to any engineering drawings or otherwise deemed to be required by the Vendor, its architect or engineer whether or not the Purchaser was notified of same prior to entering this Agreement (please initial)

SCHEDULE "FT"

The Purchaser agrees that it will, from time to time upon the request of the Vendor, provide the Vendor with such information it requires to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the related regulations and guidelines issued pursuant thereto and any other requirements of FINTRAC.

SCHEDULE "H"

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

The Vendor and the Purchaser covenant and agree as follows:

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

(i) if the Purchaser does not qualify for the Rebate, or fails to deliver to the Vendor or the Vendor's solicitors forthwith upon the Vendor's or the Vendor's solicitors request for same (and in any event on or before the Closing Date) the Rebate Forms duly executed by the Purchaser, together with all other requisite documents and assurances that the Vendor or the Vendor's solicitors may reasonably require from the Purchaser or the Purchaser's solicitor in order to confirm the Purchaser's eligibility for the Rebate and/or to ensure that the Vendor ultimately acquires (or is otherwise assigned) the benefit of the Rebate and the Transitional Rebate; or

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

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

(b) Notwithstanding any other provision herein contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or any extras, upgrades or changes purchased, ordered or chosen by the Purchaser from the Vendor which are not specifically set forth in this Agreement, and the Purchaser covenants and agrees to pay such HST to the Vendor in accordance with the *Excise Tax Act*. In addition, and without limiting the generality of the foregoing, in the event that the Purchase Price is increased by the addition of such extras, changes, upgrades or adjustments and as a result of such increase, the quantum of the Rebate that would otherwise be available is reduced or extinguished (the quantum of such reduction being hereinafter referred to as the "Reduction"), then the Purchaser shall pay to the Vendor on the Closing Date the amount of the Reduction as determined by the Vendor in its sole and absolute discretion.

(c) The Purchaser acknowledges that he has been advised by the Vendor that in order to qualify for the HST Rebate from the Government, they must occupy the property being purchased as their principal residence for a period of at least one (1) year from the closing date.

In the event that the Purchaser sells or transfers the property prior to the expiry of the one (1) year period, the Purchaser acknowledges that the rebate received by the Vendor from the Government on the sale of the property will be withdrawn by the Government after closing and the Vendor will be required by the Government to repay the Rebate received by the Vendor on the closing of the sale transaction to the Government.

The Purchaser acknowledges that if they do sell or transfer the property within the one year period after closing, that they will indemnify and save harmless the Vendor from any requirement to repay the HST Rebate from the Government, received by the Vendor. If the Vendor receives written notice from the Government that they require the Rebate to be repaid as a result of the Purchaser's actions, the Purchaser will forthwith, upon receipt of written demand from the Vendor or its solicitor, repay the Vendor, by certified cheque or money order, the amount required to be repaid to the Government, no later than 5 days after being notified of such notice. If the Purchaser fails to pay the Rebate amount within the 5 day period, then the Vendor will commence legal proceedings against the Purchaser to collect same. The Purchaser agrees to execute an Indemnity on the closing of the transaction confirming the terms of this clause.

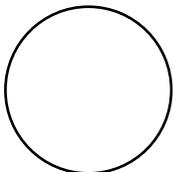
@towns.

TOWNHOMES IN SOUTH AJAX

SCHEDULE "S"



INITIAL



LOT# _____



ALL PLANS AND DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CHANGE AT THE DISCRETION OF THE VENDOR. LOT FRONTAGES REFER TO THE MINIMUM WIDTH OF THE LOT AT THE BUILDING SET BACK UNLESS MARKED OTHERWISE. MAILBOX LOCATIONS ARE NOT FINALIZED AND ARE SUBJECT TO CHANGE. LANDSCAPING AND PARK LAYOUT IS ARTIST'S CONCEPT ONLY. E. & O. E. APRIL 2021.

SCHEDULE "T"

FOR USE IN FREEHOLD

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

For the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Property including without limitation, the Purchaser's name, home address, e-mail address, telefax/telephone number(s), age, date of birth, and in respect of marital status only for the limited purposes described in subparagraphs (c), (g), (h) and (i) below and in respect of residency status and social insurance number only for the limited purpose described in subparagraphs (g) and (h) below, as well as the Purchaser's financial information and desired Dwelling design(s) and color/finish selections, in connection with the completion of this transaction and for post-closing and after-sales customer care purposes and to the disclosure and/or distribution of any or all of such personal information to the following entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

- a) any companies or legal entities that are associated with, related to or affiliated with the Vendor and are developing one or more other developments or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;
- b) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related to or affiliated with the Vendor, and who may send (by e-mail or other means) promotional literature/brochures about new developments or projects and/or related services to the Purchaser and/or members of the Purchaser's family;
- c) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family, including without limitation, the Vendor's construction lender(s), the project monitor, the Vendor's designated construction lender(s), HCRA, Tarion Warranty Corporation and/or any warranty bond provider, required in connection with the development and/or construction financing of the Project and/or the financing of the Purchaser's acquisition of the Property from the Vendor;
- d) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof), including without limitation, any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;
- e) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Dwelling and the installation of any extras or upgrades ordered or requested by the Purchaser;
- f) one or more providers of any security alarm system, cable television, telephone, telecommunication, hydro-electricity, water/hot water, gas and/or other similar or related services to the Property (or any portion thereof) unless the Purchaser advises the Vendor in writing not to provide any such personal information to an entity providing security alarm services;
- g) any relevant governmental authorities or agencies, including without limitation, the Land Titles Office (in which the Property is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Customs & Revenue Agency (i.e. with respect to HST including the Purchaser's Social Insurance Number or business registration number, as the case may be);
- h) Canada Customs & Revenue Agency, to whose attention the T-5 interest income tax information return and/or the NR4 non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(1)(b)(ii) of The Income Tax Act R.S.C. 1985, as amended;
- i) the Vendor's solicitors and/or Purchaser's solicitors, to facilitate the closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation as well as to any third party cloud service provider of the Vendor or the Vendor's Solicitor;
- j) any real estate agent, real estate broker and/or mortgage broker involved in the Purchaser's purchase of the Property to facilitate the completion of this transaction or the sale of the Purchaser's existing property; and
- k) any person, where the Purchaser further consents to such disclosure.

**Freehold Form
(Tentative Closing Date)**

Property _____

**Statement of Critical Dates
Delayed Closing Warranty**

This Statement of Critical Dates forms part of the Addendum to which it is attached, which in turn forms part of the agreement of purchase and sale between the Vendor and the Purchaser relating to the Property. **The Vendor must complete all blanks set out below. Both the Vendor and Purchaser must sign this page.**

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

VENDOR _____
Full Name(s)

PURCHASER _____
Full Name(s)

1. Critical Dates

The **First Tentative Closing Date**, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the ___ day of _____, 20__.

A **Second Tentative Closing Date** can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Closing Date. The Second Tentative Closing Date can be up to 120 days after the First Tentative Closing Date, and so could be as late as: the ___ day of _____, 20__.

The Vendor must set a **Firm Closing Date** by giving proper written notice at least 90 days before the Second Tentative Closing Date. The Firm Closing Date can be up to 120 days after the Second Tentative Closing Date, and so could be as late as: the ___ day of _____, 20__.

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

The Vendor can set a Delayed Closing Date that is up to 365 days after the earlier of the Second Tentative Closing Date and the Firm Closing Date: This **Outside Closing Date** could be as late as: the ___ day of _____, 20__.

2. Notice Period for a Delay of Closing

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

Notice of a delay beyond the First Tentative Closing Date must be given no later than: the ___ day of _____, 20__.

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

Notice of a second delay in Closing must be given no later than: the ___ day of _____, 20__.

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

3. Purchaser's Termination Period

If the purchase of the home is not completed by the Outside Closing Date, then the Purchaser can terminate the transaction during a period of **30 days** thereafter (the "**Purchaser's Termination Period**"), which period, unless extended by mutual agreement, will end on: the ___ day of _____, 20__.

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

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

Acknowledged this ___ day of _____, 20__.

VENDOR: _____

PURCHASER: _____

**Freehold Form
(Tentative Closing Date)**

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

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

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

The Vendor shall complete all blanks set out below.

VENDOR

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

PURCHASER

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

PROPERTY DESCRIPTION

Municipal Address			
_____		_____	
City		Province	Postal Code
_____		_____	

Short Legal Description			

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

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

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

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

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

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

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

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

Freehold Form (Tentative Closing Date)

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

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

2. Changing the Firm Closing Date – Three Ways

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

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

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

4. Changing Critical Dates – By Mutual Agreement

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

Freehold Form (Tentative Closing Date)

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

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

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

5. Extending Dates – Due to Unavoidable Delay

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

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

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

**Freehold Form
(Tentative Closing Date)**

Condition #1 (if applicable)

Description of the Early Termination Condition:

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

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

Condition #2 (if applicable)

Description of the Early Termination Condition:

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

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

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

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

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

Freehold Form (Tentative Closing Date)

MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

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

8. Adjustments to Purchase Price

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

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

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

Freehold Form (Tentative Closing Date)

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

10. Termination of the Purchase Agreement

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

11. Refund of Monies Paid on Termination

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

12. Definitions

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

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

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

Freehold Form (Tentative Closing Date)

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

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

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

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

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

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

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

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

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

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

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

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

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

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

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

**Freehold Form
(Tentative Closing Date)**

15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

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.

CHARGE/FEE	AMOUNT OR DESCRIPTION (APPLICABLE TAXES IN ADDITION TO ALL FEES SET OUT BELOW)	SCHEDULE REFERENCE, IF APPLICABLE	REFERENCE NUMBER, IF APPLICABLE
Discharge of mortgage	\$125.00	Schedule "X"	Paragraph 3(e)
Electronic Registration	\$200.00	Schedule "X"	Paragraph 13(b)
Grading Fee	\$500.00	Schedule "C"	Paragraph 10

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.

CHARGE/FEE	AMOUNT OR DESCRIPTION (APPLICABLE TAXES IN ADDITION TO ALL FEES SET OUT BELOW)	SCHEDULE REFERENCE, IF APPLICABLE	REFERENCE NUMBER, IF APPLICABLE
1) Hydro connection/meter fee		Schedule "C"	Paragraph 8
2) Cable Connection		Schedule "C"	Paragraph 8
3) Sewer/Water connection/meter fee		Schedule "C"	Paragraph 8
4) Phone Connections		Schedule "C"	Paragraph 8
5) Hydro Trenching		Schedule "C"	Paragraph 8
6) In Lot Services		Schedule "C"	Paragraph 8
7) Tree planting costs, prorated on a per lot basis		Schedule "C"	Paragraph 8
8) L.P.I.C. - Real Estate levy surcharge		Schedule "C"	Paragraph 8
9) Canada Post Superbox Mailbox Fee (if applicable)		Schedule "C"	Paragraph 8
The above (9) closing costs to be capped	\$1700.00 for Regular lots,	Schedule "C"	Paragraph 8
The above (9) closing costs to be capped	\$2700.00 for Corner lots where fencing is required	Schedule "C"	Paragraph 8
Real Estate Land Taxes (i) Estimated or actual (ii) Holdback	(i) To be apportioned and allowed to Closing Date (ii) To be determined by Vendor on or before Closing Date	Schedule "X"	Paragraph 5
Service charge for each and every cheque payable by the Purchaser that is not honoured by the financial institution upon which it is drawn	\$500.00 per occurrence	Schedule "X"	Paragraph 2(s)
Hot water tank and heater, if not rental	As confirmed by Vendor	Schedule "X"	Paragraph 2(f)
Walkout/Walk Up Basement	\$25,000 for a semi-detached home or a linked single home or a town home, \$25,000 for a fully detached home	Schedule "X"	Paragraph 2 (z)
H.S.T. Rebates (including reimbursement to Vendor for eliminations or deductions of any rebates) and H.S.T. on all adjustments	As confirmed by Vendor and/or pursuant to H.S.T. legislation, as the case may be	Schedule "H"	
Extras/Upgrades to be adjusted at closing	Priced by selection + Applicable H.S.T.		
Tarion Enrolment Fee	As legislated	Schedule "X"	Paragraph 2(g)
HCRA Enrolment Fee	As legislated	Schedule "X"	Paragraph 2(g)

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](http://www.tarion.com) and log into our online learning hub at www.tarion.com/learninghub

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: www.tarion.com/learninghub

Deposit Protection

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

Delayed Closing Coverage

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

Warranty Coverage

The warranty on work and materials commences on your date of possession and provides up to a maximum of \$300,000 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 the 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 or materials in the electrical, plumbing, and heating delivery and distribution systems
- Covers defects in work or 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.

Continued...

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 cpg.tarion.com.

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.