

BUILDER DESIGNATED LOT ____/BLOCK ____ MODEL ____ ELEVATION, PHASE ____

AGREEMENT OF PURCHASE AND SALE

1. The undersigned, _____ (the "Purchaser"), hereby agrees with **McCLUNG ESTATES LTD.** (the "Vendor") to purchase all and singular the lands and premises in the Township of Seneca, Haldimand County (the "**Municipality**"), being Part of Block S of Lot 9, Range 1, East of Plank Road and Part Lot 12, Range 2, East of Plank Road, being Lot No. ____/Block No. ____, Plan 18M-____, or, if applicable, a plan of subdivision/site plan of part of to be registered, as shown outlined on the plan attached hereto as Schedule "C" (the "Real Property") and on which has been or is to be constructed a dwelling house as hereinafter provided (the "Dwelling") at the purchase price of _____ DOLLARS (\$ _____) of lawful money of Canada (the "Purchase Price"), payable as follows:

- (a) by cheque with this offer by the Purchaser in the amount of _____ DOLLARS (\$ _____) dated on or before _____,
- (b) by cheque with this offer and post-dated Thirty (30) days following the day of execution of the offer by the Purchaser in the amount of _____ DOLLARS (\$ _____);
- (c) by cheque with this offer and post-dated Sixty (60) days following the day of execution of the offer by the Purchaser in the amount of _____ DOLLARS (\$ _____); and
- (d) by cheque with this offer and post-dated Ninety (90) days following the day of execution of the offer by the Purchaser in the amount of _____ DOLLARS (\$ _____);

to the Vendor as deposits (collectively, the "Deposit") and covenants, promises and agrees to pay the balance of the Purchase Price by certified cheque(s), bank draft(s) or wire transfer(s) drawn on a Canadian chartered bank to the Vendor on the Closing Date (as hereinafter defined), subject to the adjustments hereinafter set out.

2. This transaction of purchase and sale is to be completed on the First Tentative Closing Date (as defined in the Statement of Critical Dates being a part of the Tarion Addendum as hereinafter defined) or such extended or accelerated date established in accordance with the terms of this Agreement including, without limitation, the Tarion Addendum (the "Closing Date" or "Date of Closing").

3. This offer shall be irrevocable by the Purchaser until 5:00 p.m. on the fifth (5th) business day following execution of this offer by the Purchaser, if not accepted by such date, this offer shall be null and void.

4. The following Schedules of this Agreement, if attached hereto, shall form a part of this Agreement. If there is a form of Acknowledgement attached hereto same shall form part of this Agreement and shall be executed by the Purchaser and delivered to the Vendor on the Closing Date. The Purchaser acknowledges that he has read all Sections and Schedules of this Agreement and the form of Acknowledgement, if any:

- Schedule "A" - Additional Terms
- Schedule "B" - Standard Features
- Schedule "C" - Draft Plan of Subdivision/Site Plan
- Schedule "D" - Warning Clauses and Notice Provisions
- Schedule being Tarion Warranty Corporation Statement of Critical Dates and Addendum to Agreement of Purchase and Sale (collectively the "Tarion Addendum")
- Schedule "E" - Receipt Confirmation
- Schedules "Ex", "J", "LM", "X", "Y" and "Y1"

5. The Purchaser's address for delivery of any notices pursuant to this Agreement is the address as set out in the Tarion Addendum.

DATED the _____ day of _____, _____.

SIGNED, SEALED AND DELIVERED)
in the presence of:)

) _____
)Purchaser D.O.B. _____
) _____
)Purchaser D.O.B. _____

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

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

Additional Information:

McCLUNG ESTATES LTD.

Purchaser's Solicitor:
Address:
Telephone:
Facsimile:

Per: _____
[Authorized Signing Officer]

Vendor's Solicitors: DLA Piper (Canada) LLP
1 First Canadian Place, Suite 6000
P.O. Box 367, 100 King Street West
Toronto, Ontario M5X 1E2

Attention: Marcia Weber (Law Clerk)
Telephone No.: (416) 365.3508
Solicitor: Jeffrey M. Citron
Telephone No: (416) 862.3363

SCHEDULE "A"

ADDITIONAL TERMS

DWELLING MATTERS, SITING, MATERIALS CHANGES, ETC

1. The Vendor agrees that it will erect on the Real Property the Dwelling in accordance with plans and specifications (the "Plans") already examined by the Purchaser and in accordance with Schedule "B" attached hereto. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as requested or required by the Vendor's architect or any design consultants or by any governmental authority, change, alter, vary or modify the Plans, the siting of the Dwelling and/or the grading of the Real Property without notice thereof to the Purchaser. The Purchaser agrees to accept such changes, alterations, variations or modifications and, without limiting the generality of the foregoing, variations to the lot/block number, municipal address, location, area and frontage or depth of the Real Property without any abatement of the Purchase Price or claim for compensation whatsoever. The Purchaser also acknowledges and agrees that architectural control of exterior elevations, driveway construction, boulevard tree planting, landscaping, corner lot fencing (including the location of such corner lot fencing), exterior colour schemes, or any other material external to the Dwelling designed to enhance the aesthetics of the community as a whole, may be imposed by the Municipality and/or the subdivider and/or the developer. In the event the Vendor is required, in compliance with such architectural control requirements to construct an exterior elevation for the Dwelling other than as specified in this Agreement or amend the driveway construction or location, boulevard tree planting or landscaping plan for the Dwelling and/or Real Property, as the case may be, (all of which is hereinafter referred to as the "Amended Exterior Plans"), the Purchaser hereby irrevocably authorizes the Vendor to complete the Dwelling and/or Real Property, as the case may be, in accordance with the Amended Exterior Plans, and the Purchaser hereby irrevocably agrees to accept such Amended Exterior Plans in lieu of the plans for same specified in this Agreement without any abatement of the Purchase Price or claim for compensation whatsoever. The Vendor shall have the right, in its sole discretion, to construct the Dwelling either as shown on the Plans or to construct such Dwelling on a reverse mirror image plan, including reversal of the garage siting and reversal of the interior floor plan layout. Construction of a reverse mirror image plan is hereby irrevocably accepted by the Purchaser without any right of abatement of the Purchase Price or claim for compensation whatsoever. Further, in the event the Vendor determines, in its sole discretion, to construct the Dwelling at a grade level different than as depicted in the Plans, necessitating a step or series of steps to the front door, side door, rear door, or any door from the garage to the interior of the Dwelling or any elimination of the side door or door from the house to the garage or garage to outside, if any, the Purchaser hereby agrees to accept such change(s) without any abatement of the Purchase Price or claim for compensation whatsoever. Furthermore, in the event that the Real Property is comprised of a "standard lot" and if that standard lot becomes a walkout deck lot or if a walkout deck lot becomes a walkout basement lot, then in both cases, the Vendor shall have the right to charge the Purchaser a premium for such walkout deck lot or walkout basement lot and the Purchaser agrees to pay such premium. The Vendor shall further have the right to substitute other material for that provided for in the Plans, in the sole discretion of the Vendor, for any cause which it may deem reasonable without notice thereof to the Purchaser, provided that such material is, in the sole judgment of the Vendor, of substantially equal or better quality than the material in the Plans and the Purchaser shall accept same without any abatement of the Purchase Price or claim for compensation whatsoever. The provisions of this Section may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or his successors in title or assigns against the Vendor.

2. The Purchaser acknowledges and agrees that in the event the Dwelling being purchased herein is a semi-detached or townhouse unit, the subject lot/block of which the Real Property forms a part will not necessarily be divided equally but may instead be divided in unequal proportions. The Purchaser agrees to accept any such unequal division of the lot/block.

PURCHASER'S SELECTIONS

3.

- (a) Within seven (7) days of notification by the Vendor to the Purchaser, the Purchaser shall complete the Vendor's colour and material selection form for those items of construction and finishing for which the Purchaser is entitled to make selection pursuant to this Agreement, and in the event such items become unavailable, the Purchaser agrees to re-attend within seven (7) days of notification to make alternate selections from the Vendor's samples. If the Purchaser fails to attend and make selections as aforesaid, the Vendor may make the selections on the Purchaser's behalf and the Purchaser agrees to accept the Vendor's selections. The Purchaser shall have no selection whatsoever insofar as exterior colours, designs and materials are concerned.
- (b) No changes can be permitted in colours or materials so selected by the Purchaser without the prior written consent of the Vendor (which consent may be unreasonably or arbitrarily withheld). In the event any of the foregoing items in which the Purchaser has a choice, have already been installed or completed, then the Purchaser shall be deemed to have accepted them. Notwithstanding anything herein contained to the contrary, in no event shall the Purchaser's failure to make such choices within seven (7) days upon request to do so by the Vendor, and the possible consequent inability of the Vendor to substantially complete the Dwelling by the Closing Date entitle the Purchaser to an extension of the Closing Date.
- (c) The Purchaser specifically acknowledges that in the manufacture and/or production of items, variances may occur from the Vendor's samples and also such items shown as samples may not be subsequently available. The Purchaser hereby agrees to accept any such resulting variations whether as to supplier, brand name, colour and/or otherwise without any abatement of the Purchase Price.

4. The Purchaser acknowledges that he has purchased the Dwelling on the basis of the Plans and not from a model. The Purchaser acknowledges that the model home(s), if any, are for display purposes only, and that some or all of the features contained therein may not be included in the Dwelling unless the same is specifically provided for in a Schedule forming part of this Agreement. Any item identified as optional or an upgrade in the sales or marketing material(s) is not included in the Dwelling but may be purchased at additional cost under a separate Schedule to this Agreement or by separate agreement. The Purchaser's attention is drawn to Schedule "B" which forms part of this Agreement and which sets out therein the items which will be included in the Dwelling as standard features. The Purchaser hereby acknowledges that the Dwelling will only include those standard features and,

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

SUBSTANTIAL COMPLETION OF THE DWELLING/OCCUPANCY

5. In the event that the Dwelling is substantially completed and ready for occupancy by the Closing Date the sale shall be completed on such date without any holdback whatsoever of any part of the Purchase Price and the Vendor shall complete any outstanding items of construction required by this Agreement within a reasonable time thereafter and during normal business hours, having regard to weather conditions and the availability of labour and materials. If there is a detached garage as part of the Real Property substantial completion of the Dwelling shall not include completion of the said garage and the Purchaser shall complete the within transaction notwithstanding the construction of the garage is not completed or even started. For the purpose of this Agreement, the Dwelling shall be deemed to be substantially complete when the interior work has been substantially finished to permit occupancy, notwithstanding that there remains grading or landscaping or other outside work to be completed. The Vendor shall provide evidence that occupancy is permitted in accordance with and only to the extent required by the Tarion Addendum.

6. Provided that in the event the Vendor is unable to deliver to the Purchaser on or before the Closing Date a conveyance of the Real Property free and clear of encumbrances, save and except as provided for in this Agreement, for any reason whatsoever then the Vendor may, at its option, require the Purchaser to take possession of the Real Property pursuant to the terms of the Vendor's standard escrow closing agreement which the Purchaser shall execute and deliver to the Vendor or its solicitors upon request of the Vendor or its solicitors and an undertaking by the Vendor to deliver a conveyance in accordance with the provisions of this Agreement within such period of time as the Vendor may require. From and after the date of such possession the Purchaser shall be responsible for the realty taxes, water, hydro, gas and other public and/or private utilities with respect to the Real Property and shall pay to the Vendor interest on the unpaid balance of the Purchase Price at the Royal Bank of Canada's Prime Rate of Interest plus 3% per annum charged to its commercial customers from time to time, as of the first of the month in which the Purchaser assumes occupancy under the Vendor's standard escrow closing agreement or is required to do so under this Agreement until such time as the Vendor delivers a conveyance of the title to the Real Property to the Purchaser. The parties further agree that upon the Vendor delivering to the Purchaser a conveyance in accordance with the terms of this Agreement, any further adjustments that may be required shall be made at the time of the delivery of the conveyance.

TARION WARRANTY CORPORATION

7.

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

forth in this Agreement and/or at law. Alternatively, the Vendor may, at its option complete the within transaction but not provide the keys to the Dwelling to the Purchaser until the CCP and PDI forms have been executed by the Purchaser and/or its designate or complete the within transaction and complete the CCP and PDI forms on behalf of the Purchaser and/or the Purchaser's designate and the Purchaser hereby irrevocably appoints the Vendor the Purchaser's attorney and/or agent and/or designate to complete the CCP and PDI forms on the Purchaser's behalf and the Purchaser shall be bound as if the Purchaser or the Purchaser's designate had executed the CCP and PDI forms.

- (f) In the event the Purchaser and/or the Purchaser's designate fails to execute the Confirmation of Receipt of the HIP forthwith upon receipt thereof, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement and/or at law.
- (g) The Purchaser further agrees with the Vendor that the Vendor and/or its representatives shall have the right to enter the Dwelling and the Real Property after completion of the purchase in order to complete any of the items listed on the CCP and PDI forms, provided that if the Purchaser fails or refuses to permit the Vendor and/or its representatives such entry, the Vendor's obligations hereunder shall terminate and be at an end. Any such entry shall be deemed not to be a trespass.
- (h) The Purchaser acknowledges that the area of the Dwelling, as may be represented or referred to by the Vendor or any sales representative, or which appears in any sales or marketing material(s) is approximate only, and is measured in accordance with Builder Bulletin No. 22 published by Tarion. Actual useable floor space may (therefore) vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable living area within the confines of the Dwelling may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Dwelling purchased hereunder are approximate only, and that there shall be no adjustment of the Purchase Price or claim for compensation whatsoever, whether based upon the ultimate square footage of the Dwelling, or the actual or useable living space within the confines of the Dwelling or otherwise.

8. The Purchaser covenants and agrees that he will exhaust all the remedies available to him with Tarion with respect to any claim relating to defects in workmanship or materials or with respect to any other claim arising under the ONHWP or in respect of the Tarion Addendum, prior to pursuing any other means of redress with regard to such claims. In the event the Purchaser does not comply with the provisions of this Section, or takes any unwarranted or unreasonable actions with respect to such claims, the Purchaser shall be held liable for any damages sustained by the Vendor as a result thereof.

TITLE AND CONVEYANCING MATTERS

9. The Purchaser agrees to accept title to the Real Property subject to the following items and the Purchaser covenants and agrees to adhere to the terms and conditions as set out therein. The Purchaser agrees to satisfy himself as to compliance with any of the following items and the Vendor shall not be obligated on the Closing Date or thereafter to obtain any compliance, releases or discharges with respect to any of the following items:

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

- (f) as herein expressly provided; and
- (g) any minor breaches of any of the foregoing that have been remedied or are in the process of being remedied.

10. Provided that the title to the Real Property shall on the Closing Date be good and free from all encumbrances, except as provided for in this Agreement. The title is to be examined by the Purchaser at his own expense and he is not to call for the production of any deeds or abstracts of title, surveys, proof of evidence of title or to have furnished any copies thereof, other than those in the Vendor's possession or as provided for in this Agreement. The Purchaser is to be allowed until thirty (30) days prior to the Closing Date to examine the title at his own expense and if within that time he shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unwilling or unable to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intermediate acts or negotiations, be null and void and the monies paid to the Vendor to that date on account of the Deposit shall be returned as provided for herein and the Vendor shall not be liable for any damages, costs or expenses whatsoever, including, without limiting the generality of the foregoing, loss of bargain, relocation costs, loss of income, professional fees and disbursements and any amount paid to third parties on account of decoration, construction or fixturing costs. Save as to any valid objections so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property.

11. The Purchaser acknowledges that the Real Property is or will be encumbered by mortgages and/or encumbrances which the Purchaser is not to assume and that the Vendor will not be obligated to obtain and register a discharge of such mortgages and/or encumbrances insofar as they affect the Real Property until a reasonable time after the Closing Date (as defined in the Tarion Addendum) and the Purchaser shall accept the undertaking of the Vendor's solicitors to obtain and register as soon as reasonably possible after the Closing Date a discharge of such mortgages and/or encumbrances except as provided for herein and further agrees not to refuse to complete this transaction on the grounds that such mortgages and/or encumbrances have not been discharged.

12. The transfer/deed of land shall be prepared at the Vendor's expense and may contain any or all of the provisions set forth in this Agreement and shall be executed by the Purchaser, if required by the Vendor, and the Purchaser shall execute and deliver on the Closing Date a covenant, undertaking or agreement incorporating all or any of the terms contained herein or as may be required by the Vendor. The Purchaser undertakes and agrees to register the transfer/ deed of land at his own expense at the time of the Closing Date. Each party is to pay the cost of registration and taxes on its own documents. The Purchaser shall deliver to the Vendor, on or before the Closing Date, as required by the Vendor the Acknowledgement in the form attached to this Agreement, if any, duly completed and executed. The Purchaser agrees to advise the Vendor or its solicitors within thirty (30) days prior to the Closing Date of the manner in which title is to be taken by the Purchaser, failing which title to the Real Property shall be engrossed in the name of the Purchaser as noted on this Agreement and the Purchaser shall be estopped from requiring any further changes to the manner in which the transfer/deed of land is engrossed.

13. The Purchaser hereby acknowledges the full priority of any mortgage or construction financing arranged by the Vendor and/or secured by the Real Property over his interest as Purchaser for the full amount of the said mortgage or construction financing, notwithstanding any law or statute to the contrary and agrees to execute all acknowledgements or postponements required to give full effect thereto.

14. In the event, that the Municipality does at some point in time provide a release of any of the Subdivision Agreements the Vendor may either provide such release to the Purchaser for registration of such release by the Purchaser at the Purchaser's expense or register the release, if any, in which event the Purchaser shall pay the Vendor the cost of registration of such release forthwith upon request although the Vendor may, at its option, add such cost to the statement of adjustments as a credit to the Vendor. The foregoing provision does not in any way whatsoever require the Vendor to request any such release or impose an obligation on the Vendor to take any steps to obtain any such release.

15. The Purchaser acknowledges that the transfer/deed of land to the Real Property to be given on the Closing Date may emanate from the registered owner of the Real Property and not from the Vendor herein, and the Purchaser agrees to accept same and to accept such owner's title covenants in lieu of the Vendor's, in the event the Vendor is not the registered owner of the Real Property on the Closing Date.

PLANNING ACT

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

INSURANCE

17. The Purchaser shall place his own insurance on the Real Property on the Closing Date.

ADJUSTMENTS

18. On the Closing Date, the Purchaser shall pay to the Vendor, as an adjustment on the statement of adjustments, in addition to any other monies required to be paid as set out in this Agreement, the following:

- (a) an amount equal to the Tarion enrolment fee paid by the Vendor for the Real Property;
- (b) if there are chattels involved in this transaction, the allocation of the value of such chattels shall be estimated where necessary by the Vendor and retail sales tax thereon may, at the option of the Vendor, be collected by the Vendor and remitted to the applicable taxing authority. Alternatively, the Purchaser shall pay the retail sales tax paid or to be paid by the Vendor on account of chattels set out in Schedule "B" attached hereto or that are an extra or upgrade;
- (c) any amounts which remain unpaid and owing to the Vendor on account of upgrades and/or extras and/or changes ordered by the Purchaser;
- (d) the Vendor's proportionate amount of the realty taxes (including local improvement charges) which shall be apportioned and allowed to the Closing Date. Realty taxes (including local improvement charges) shall be estimated by the Vendor for the calendar year in which the transaction is completed and shall be adjusted as if such sum has been paid by the Vendor,

notwithstanding that same may not have been levied or paid by the Closing Date, subject, however, to readjustment when the actual amount of such taxes are ascertained;

- (e) the costs of any utility check meter, water meter, hydro meter or gas meter installed in or about the Dwelling, the installation of any such meters, the connection charges for any such meters and/or sewers and the installation and energization charges, as the case may be, of hydro, water and gas services provided to the Dwelling. A certificate of the Vendor or statutory declaration of an officer of the Vendor specifying the said costs shall be final and binding on the Purchaser;
- (f) all amounts chargeable and billable to the Purchaser for water, hydro, gas, cable T.V. and any other services arising as a result of the Purchaser's failure to make his own contractual arrangements with the relevant public or private utility authorities and suppliers on the Closing Date and for which the Vendor is subsequently charged, it being the express intent of the parties that it shall be the sole responsibility of the Purchaser to notify all relevant utility authorities and make the necessary contractual arrangements to ensure service to the Dwelling;
- (g) (i) the amount of \$750 as security for any damages to or unauthorized changes that the Purchaser may make to the grading of the Real Property and/or the driveway and/or any amounts the Purchaser may owe to the Vendor and/or for any breach of any of the Purchaser's obligations pursuant to this Agreement and any damages, costs and expenses the Vendor may incur as a result thereof. Such security shall be repaid to the Purchaser upon written request from the Purchaser after assumption of the subdivision of which the Real Property forms a part and/or such later date as the Vendor may require less any amounts the Vendor may have to pay to correct or remedy any damages and changes and/or to pay itself any amounts owing to the Vendor and/or to cover any damages, costs and expenses incurred by the Vendor as a result of anything set out above;
(ii) any lot premium charged by the Vendor to the Purchaser in respect of either a walkout deck lot or a walkout basement lot;
- (h) the cost of installation of the driveway for the Real Property which driveway will be installed by the Vendor to municipal specifications;
- (i) the charges imposed upon the Vendor or its solicitors by the Law Society of Upper Canada upon registration of a transfer/deed of land or charge/mortgage of land or any other instrument;
- (j) any costs incurred by the Vendor for the internet delivery of documentation to the Purchaser's solicitor;
- (k) in the event the Municipality and/or any other governmental or regulatory authority, board or entity requires the installation and/or erection of a privacy fences, lot line fences, chain link fences, retaining wall(s) and/or any other item of a similar nature relating to any properties within the plan of subdivision including, without limitation, the Real Property the cost thereof, such cost to be determined by the Vendor. The Purchaser hereby acknowledges that notwithstanding the foregoing, there may not be a privacy fence, lot line fence, chain link fence, retaining wall or any other form of a similar nature located on the Real Property; however, notwithstanding same, Purchaser shall be responsible for its proportionate share of the cost of any of the foregoing as an adjustment on closing
- (l) any tax, whether categorized as multi-stage sales tax, a business transfer tax, a modified retail sales tax, a value-added tax, or any other type of tax whatsoever that may be levied or charged in the future by any governmental authorities, including, but without limiting the generality of the foregoing the municipal, federal, or provincial governments or any of their agencies, on or with respect to any sale, transfer, lease or disposition of property or any provision of goods or services made in the course of a taxable activity and the Purchaser shall be solely responsible for paying and/or reimbursing the Vendor for such tax, whether or not the legislation imposing such tax places the primary responsibility for payment thereof onto the Vendor, and the Vendor shall be allowed to charge the Purchaser as an adjustment on the Closing Date with the estimated amount of any such tax, notwithstanding that such tax may not have been formally or finally levied and payable with such tax adjustment being subject to readjustment, if necessary, when the actual final assessment or levy is available or determinable;
- (m) in the event that there is any implementation of any levies, capital charges, development charges, imposts, education development charges or other charges of any nature or kind whatsoever (collectively the "Levies") and/or any increases in the cost of any Levies made or imposed by the Municipality or regional municipality or any other governmental and/or competent authority in connection with the Real Property between the date upon which this Agreement was executed and the Closing Date, the Purchaser shall be solely responsible for paying and/or reimbursing the Vendor for the cost of such Levies and/or the cost of such increases in such Levies which amounts shall be determined by the Vendor in its sole discretion and which determination shall be conclusive between the parties hereto;
- (n) the cost of any boulevard tree planting, plus any administration cost charged by the Vendor which costs shall be absolutely determined by certificate of the Vendor or statutory declaration of an officer of the Vendor or estimated by the Vendor. Notwithstanding the foregoing, the Purchaser acknowledges that there may not be a tree planted in front of the Real Property. Purchaser acknowledges that it will be responsible for its proportionate share of the cost of tree planting within the Plan of Subdivision which will be an adjustment on closing;
- (o) the cost of any obligation undertaken by the Vendor to the subdivider or the developer to contribute to community landscaping, which cost is to be absolutely determined by a certificate of the Vendor or statutory declaration of an officer of the Vendor or estimated by the Vendor and to be readjusted when known; and
- (p) the cost for the survey of the Real Property if same is provided to the Purchaser.

19. If any of the adjustments to be made on the Closing Date cannot be accurately determined at the time of the Closing Date, then the Vendor may estimate the adjustment to be made and the Closing Date shall take place in accordance with this estimate. There shall be a later and final adjustment when all the items to be adjusted can be accurately determined.

20. The Purchaser acknowledges and agrees that the ERV or HRV unit and/or hot water heater/tank is not included in the Purchase Price and is to be non-owned and that it shall remain chattel property and shall not be or become a fixture and/or part of the Dwelling. The Purchaser may be informed of the terms and conditions governing the rental of the ERV or HRV unit and/or hot water heater/tank prior to the Closing Date, and agrees, if required, to execute on, before or after the Closing Date, as the Vendor determines a rental document or other contract as required by any relevant municipal authority or public or private utility or third party company with respect to the said ERV or HRV unit and/or hot water heater/tank, failing which, at the Vendor's sole option, the Vendor shall be entitled to execute the ERV or HRV unit and/or hot water heater/tank supplier's standard rental document or other contract on behalf of the Purchaser as his attorney or agent.

21. In the event any cheque given by the Purchaser is returned after being presented for payment to the financial institution on which it is drawn, by reason of there not being sufficient funds in the account on which said cheque is drawn, the Purchaser shall pay the Vendor for each such returned cheque the sum of \$250.00 plus GST as liquidated damages and not as a penalty which payment shall, at the Vendor's option, be made as an adjustment on the Closing Date in favour of the Vendor or be delivered to the Vendor together with the replacement cheque.

GOODS AND SERVICES TAX AND HARMONIZED SALES TAX

22.

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

EXTRAS/UPGRADES

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

NOTICE AND WARNING CLAUSES

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

INSURANCE/RISK

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

PURCHASER COVENANTS AND AGREEMENTS

26. Notwithstanding the closing of this transaction, the Purchaser hereby authorizes and shall not obstruct or interfere in any way with the Vendor, the subdivider or the developer, the Municipality, the regional municipality, the public utilities, the telephone and/or cable company or persons authorized by any of them, free access to the Real Property and the Dwelling at all reasonable hours in order to make inspections and to do such work or repairs, including, but not restricted to, correction of sodding and/or grading, installation of catch basins, installation, repair, construction or reconstruction and/or maintenance of any of the municipal services, public utilities and other services, including sewers and water mains; and for any of the purposes aforesaid or related thereto, such entry on the Real Property and Dwelling by any such persons shall not be deemed to be committing trespass and the Purchaser does hereby give leave and licence to any of such persons for the purposes aforesaid and free access for any such persons shall continue for such period of time as may be set out in the Subdivision Agreements or any other agreements affecting the Real Property or as may be required by the Vendor, the subdivider or the developer and/or any municipal or governmental authority, regulatory body or public or private utility. The Purchaser further covenants to comply with and not to breach any of the Subdivision Agreements or any other such agreements.

27. The Purchaser undertakes and covenants that he will not, at any time either before or after the Closing Date, without the prior written authority of the Vendor and the subdivider or the developer (which may be unreasonably or arbitrarily withheld) interfere with or alter the drainage ditch, obstruct the natural flow of water or obstruct the drainage as designed and engineered by the subdivider or the developer, erect fences, porches, patios, planting, paving, swimming pool, clothes lines or obstructions of any kind, remove top soil or subsoil, cut down living trees or do anything which may change or alter the grading or obstruct the drainage of the Real Property or surrounding lots or lands in any way and if he does, the Vendor or its servants, successors, agents and assigns may enter thereon and correct such grading or remove or relocate such obstructions at the Purchaser's expense and be paid, forthwith upon demand, the cost thereof. The Purchaser shall adhere to the overall drainage patterns of the Subdivision, including such easements as may exist or may be required for the purpose of water drainage upon the Real Property to and from adjoining lands, and the Purchaser agrees to grant such easements as may be required from time to time by the Vendor or subdivider or developer for drainage. The foregoing covenant may, at the option of the Vendor, be included in any transfer of title to the Purchaser and shall run with the land. The Purchaser agrees that 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 later, and the Vendor shall have no obligation in that regard whatsoever. If the Vendor is required by the subdivider, developer or any governmental authority to replace any laid sod as a result of the Purchaser's default under this Section, the Purchaser shall promptly pay the Vendor for same and the Vendor shall not be obliged to do so until payment has been made therefore in full to the Vendor by the Purchaser.

28. The Vendor hereby notifies the Purchaser and the Purchaser acknowledges that the subdivider or the developer has agreed to provide and pay for paved roads, sidewalks, curbs, street lighting, sanitary and storm sewers, street signs and other services as required by the Subdivision Agreements and that such is the responsibility of the subdivider or the developer and not the Vendor. In the event that title to the Real Property is transferred directly from the subdivider or the developer or another party (the "Party") rather than the Vendor the Purchaser covenants and agrees to execute and deliver on the Closing Date an acknowledgement and release in a form satisfactory to the Vendor and/or subdivider and/or developer and/or the Party releasing the subdivider or the developer or the Party, as the case may be, from any and all matters in respect of the within transaction and acknowledging that the subdivider or the developer or the Party, as the case may be, has no liability, obligation or responsibility to the Purchaser.

29. The Purchaser agrees that until all lots or blocks in the Subdivision are sold, the Vendor shall have the exclusive right to maintain model homes, signs, sales staff and marketing material(s) in the Subdivision and to show prospective purchasers through the Subdivision and through any unsold homes and the Purchaser agrees not to display any sign on the Real Property offering the Real Property for sale or rent. In the event that the Purchaser displays any such sign on the Real Property, the Vendor shall have the absolute right to enter on the Real Property and remove such sign without such act being a trespass.

30. The Purchaser agrees that in the event that there is any water leakage into the basement or any other damage of any kind or nature whatsoever which the Vendor shall be required at law or by Tarion to repair, the Vendor shall not be liable for any consequential damage caused by the water or otherwise nor for any damage to any improvements, fixtures, furnishings or personal property of the Purchaser, but shall be responsible only for the repair of such damage or leakage in accordance with the terms hereof. Further, the Purchaser waives his right to any claim against the Vendor for damage to the Dwelling due to shrinkage, warpage, twisting or settlement or any secondary or consequential damage resulting therefrom. Further, the Vendor shall not be liable for any secondary or consequential damages whatsoever which may result from any defect in materials, design or workmanship related to the Dwelling. The Purchaser further acknowledges that the Vendor is not responsible for the repair of any exterior work resulting from settlement, including driveways, walkways, patio stones or sodded areas or for any damage to interior household improvements or decor caused by material shrinkage, twisting or warpage. The Purchaser agrees that this Section may be pleaded by the Vendor in estoppel of any claims by the Purchaser pursuant to this Section.

31. The Purchaser agrees that prior to the Closing Date he will not in any circumstances enter onto the Real Property without the express written authority of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and the Vendor shall be entitled to exercise any rights that it may have pursuant to this Agreement or at law as a result of same. In addition, the Purchaser agrees that he will not in any circumstances, either personally or by his agent, servant or authorized representative, perform or have performed any work of any nature or kind whatsoever on the Dwelling or the Real Property prior to the conveyance of the Real Property to the Purchaser and in the event of a breach of this covenant, the Vendor shall be entitled, at its sole option, to deem such breach as an event of default by the Purchaser under this Agreement or to take whatever steps are necessary to remove, correct or remedy any such work, and in such event, at the Vendor's sole option, the costs and expenses thereof plus a fifteen percent (15%) administration fee shall be paid to the Vendor by the Purchaser forthwith upon demand by the Vendor or added to the Purchase Price as an adjustment on the Closing Date.

32. The Purchaser acknowledges that due to the nature and extent of construction work which will be required to be undertaken by the Vendor on the Real Property in connection with the excavation, erection, and construction of the Dwelling, one or more trees may be removed from the Real Property and others may or will suffer damage or destruction both before and after the Closing Date, as a result of the removal, interference or the destruction of roots,

contact with the trunk by equipment or machinery or otherwise. The Purchaser hereby acknowledges, covenants, and agrees that the Vendor shall not be responsible or liable in any manner, whatsoever, for any loss or destruction to trees or for any loss or destruction to the property of the Purchaser howsoever caused nor shall the Vendor be responsible or liable for the removal of any trees or parts thereof, from the Real Property, at any time, whatsoever. It is understood and agreed that the Vendor has made no representation, warranty, guarantee, collateral agreement or condition whatsoever, regarding the preservation, removal, condition or health of trees on the Real Property.

33. The Purchaser agrees that he will not, for a period of at least two (2) years from the Closing Date, plant any trees, shrubs, vines, hedges or other landscaping on the Real Property without the express written consent of the Vendor which consent may be unreasonably or arbitrarily withheld. The Vendor shall have the right during such period to enter on the Real Property, without notice to the Purchaser, and to remove, without any liability, whatsoever, any such trees, shrubs, vines, hedges or other landscaping planted on the Real Property in contravention of this Section without such act being a trespass.

NON-REGISTRATION AND NO ASSIGNMENT AND NO OBJECTION

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

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

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

ELECTRONIC REGISTRATION AND TENDER

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

38. Given that the electronic registration system (hereinafter referred to as the "Teraview Electronic Registration System" or "TERS") is operative in the applicable Land Titles Office in which the Real Property is registered, the following provisions shall prevail:

- (a) the Purchaser shall be obliged to retain a solicitor, who is both an authorized TERS user and in good standing with the Law Society of Upper Canada, to represent the Purchaser in connection with the completion of this transaction. The Purchaser shall authorize such solicitor to, at the option of the Vendor's solicitor, either execute an escrow closing agreement with the Vendor's solicitor on the standard form recommended by the Law Society of Upper Canada (hereinafter referred to as the "Escrow Document Registration Agreement") establishing the procedures and timing for completing this transaction or to otherwise agree to be bound by the procedures set forth in the Escrow Document Registration Agreement;
- (b) the delivery and exchange of documents, monies and keys to the Dwelling, and the release thereof to the Vendor and the Purchaser, as the case may be:
 - (i) shall not occur contemporaneously with the registration of the transfer/deed (and other registerable documentation); and
 - (ii) shall be governed by the Escrow Document Registration Agreement, pursuant to which the solicitor receiving the documents, keys and/or certified funds will be required to hold same in escrow, and will not be entitled to release same except in strict accordance with the provisions of the Escrow Document Registration Agreement;
- (c) if the Purchaser's solicitor is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Document Registration Agreement, then said solicitor shall be obliged to personally attend at the office of the Vendor's

solicitor, at such time on the Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office and shall pay a fee as determined by the Vendor's solicitor, acting reasonably, for the use of the Vendor's solicitor's computer facilities;

- (d) the Purchaser expressly acknowledges and agrees that he will not be entitled to receive the transfer/deed of land to the Real Property for registration until the balance of funds due on the Closing Date, in accordance with the statement of adjustments, are either remitted by certified cheque(s) via personal delivery or by electronic funds transfer to the Vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the transfer/deed of land for registration;
- (e) each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the Real Property may be delivered to the other party hereto by telefax transmission (or by a similar system reproducing the original) or by electronic transmission of electronically signed documents through the Internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto which may be by electronic signature. The party transmitting any such document shall also deliver the original of same [unless the document is an electronically signed document pursuant to the Electronic Commerce Act of Ontario, as may be amended] to the recipient party by overnight courier sent the day after the Closing Date, if same has been so requested by the recipient party; and
- (f) notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by the Vendor upon the Purchaser when the Vendor's solicitor has:
 - (i) delivered all closing documents to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement and keys are also delivered to the Purchaser's solicitor or made available for the Purchaser to pick up at the Vendor's sales office, customer service office or construction site office;
 - (ii) advised the Purchaser's solicitor, in writing, that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) has completed all steps required by TERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor, without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents and/or keys and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

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

DEFAULT AND REMEDIES

40.

- (a) The Purchaser shall be deemed to be in default under this Agreement in each and every one of the following events, namely:
 - (i) upon the non-payment of all or any portion of the Purchase Price, or any other amount due hereunder;
 - (ii) upon a breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser; and
 - (iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Real Property.
- (b) A certificate of the Vendor or an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been given to the Purchaser, shall be conclusive evidence of the facts therein stated. If such default continues for five (5) days after written notice thereof has been given to the Purchaser or the Purchaser's solicitor, by the Vendor or its solicitors, then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the rights and remedies as set out below.
- (c) In the event of a default by the Purchaser, then, in addition to any other rights or remedies which the Vendor may have, the Vendor, at its sole option, shall have the right to terminate this Agreement and preserve any rights the Vendor may have against the Purchaser and in such event, all monies paid hereunder (including the deposit monies paid or agreed to be paid by the Purchaser pursuant to this Agreement which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon and monies paid or payable for extras or upgrades or changes ordered by the Purchaser, whether or not installed in the Dwelling, shall be forfeited to the Vendor. The Purchaser agrees that the forfeiture of the aforesaid monies shall not be a penalty and it shall not be necessary for the Vendor to prove it suffered any damages in order for the Vendor to be able to retain the aforesaid monies. The Vendor shall in such event still be entitled to claim damages from the Purchaser in addition to any monies forfeited to the Vendor. In the event the Vendor's solicitors are holding any of the deposit monies in trust pursuant to this Agreement, then in the event of a default, the Vendor's solicitors shall pay to the Vendor the said deposit monies together with any interest accrued thereon, provided the Vendor has delivered to its solicitors a certificate of the Vendor or an officer of the Vendor, certifying that the Purchaser has committed a

default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the said deposit monies and accrued interest, if any. Thereupon the Purchaser hereby releases the Vendor's solicitors from any obligation to hold the said deposit monies, if any, and interest, if any, in trust, and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies, if any, and accrued interest, if any, to the Vendor.

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

41. The Purchaser covenants and agrees to pay to the Vendor all amounts to correct and remedy all damage caused by the Purchaser or those for whom he is in law responsible to any services installed within the Subdivision, which services shall, without limitation, include survey stakes, landscaping, trees, curbs, curb cuts, streets, roads, sidewalks, street signs, street lighting, sanitary and storm sewers and any underground services installed by or on behalf of any public or private utilities. The amounts so paid by the Vendor shall form and constitute a Vendor's lien against the Real Property which Vendor's lien may be enforced in the same manner as a mortgage/charge thereon.

42. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss or injury to a person or property of the Purchaser or any of his friends, relatives, workmen, agents or anyone else for whom at law the Purchaser is responsible who have entered on the Real Property or any part of the Subdivision whether with or without the authorization, express or implied, of the Vendor.

43. No waiver by the Vendor of any breach of covenant or default in the performance of any obligation hereunder or any failure by the Vendor to enforce its rights herein shall constitute any further waiver of the Vendor's rights herein, it being the express intent of the parties that any waiver or forbearance in enforcing its rights by the Vendor shall apply solely to that particular breach or failure.

44. Notwithstanding anything contained in this Agreement it is understood and agreed by the parties hereto that in the event that construction of the Dwelling is not completed on or before the Closing Date for any reason or in the event the Vendor cannot complete the subject transaction on the Closing Date, other than as a result of the Purchaser's default, the Vendor shall not be responsible or liable to the Purchaser in any way for any damages or costs whatsoever including without limitation loss of bargain, relocation costs, loss of income, professional fees and disbursements and any amount paid to third parties on account of decoration, construction or fixturing costs other than those costs set out in the Tarion Addendum.

CAUSE OF ACTION/VENDOR ASSIGNMENT

45.

- (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.
- (b) At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser or the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the vendor herein as if it had been an original party to this Agreement, in the place and instead of the Vendor.

NOTICE

46. Any notice required to be delivered under the provisions of the Tarion Addendum shall be delivered in the manner required therein.

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

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

48. The Purchaser hereby consents to the Vendor's collection, use and disclosure of the Purchaser's personal information for the purpose of enabling the Vendor to proceed with the Purchaser's purchase of the Real Property, completion of this transaction, and for post-closing and after-sales customer care purposes. Such personal information includes the Purchaser's name, home address, e-mail address, telefax/telephone number, age, date of birth, marital status, residency status, social insurance number (only with respect to subparagraph (b) below), financial information, desired Dwelling design(s) and colour/finish selections. In particular but without limiting the foregoing, the Vendor may disclose such personal information to:

- (a) any relevant governmental authorities or agencies, including without limitation, the Land Titles Office (in which the Real Property is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and the Canada Revenue Agency ("CRA") (i.e. with respect to G.S.T.);
- (b) CRA, to whose attention the T-5 interest income tax information return and/or the NR4 non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(1)(b)(ii) of the Income Tax Act (Canada), as may be amended;
- (c) any companies or legal entities that are associated with, related to or affiliated with the Vendor (or with the Vendor's parent/holding company, if applicable) and are developing one or more other developments, projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;
- (d) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family with respect to the Real Property, including without limitation, the Vendor's construction lender(s), the person and/or firm monitoring the project of which the Real Property forms a part (the "Project") and its costs, the Vendor's designated construction lender(s), Tarion and/or any warranty bond provider and/or deposit insurer, required in connection with the development and/or construction financing of the Project and/or the Real Property and/or the financing of the Purchaser's acquisition of the Property from the Vendor;
- (e) any insurance companies of the Vendor providing (or wishing to provide) insurance coverage with respect to the Project and/or the Real Property (or any portion thereof) and any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;
- (f) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Dwelling and the Real Property and the installation of any extras or upgrades ordered or requested by the Purchaser;
- (g) one or more providers of cable television, telephone, telecommunication, security alarm systems, hydro-electricity, water/chilled water/hot water, gas and/or other similar or related services to the Real Property (or any portion thereof) (collectively, the "Utilities") unless the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to one or more of the Utilities;
- (h) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related to or affiliated with the Vendor, and who may send (by e-mail or other means) promotional literature/brochures about new developments, projects or communities and/or related services to the Purchaser and/or members of the Purchaser's family unless the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to one or more of the aforementioned third party data processing companies;
- (i) the Vendor's solicitors, to facilitate the closing of this transaction, including the closing by electronic means via the TERS, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation; and
- (j) any person, where the Purchaser further consents to such disclosure or disclosures required by law. Any questions or concerns of the Purchaser with respect to the collection, use or disclosure of his personal information may be delivered to the Vendor at the address set out in the Tarion Addendum to the attention of the Privacy Officer.

KEYS

49. The Purchaser agrees that keys may be released to the Purchaser at the Vendor's sales office, customer service office or construction site office upon completion of this transaction, unless otherwise determined by the Vendor. The Vendor's or its solicitors' advice that keys are available for release to the Purchaser constitutes a valid delivery of keys to the Purchaser.

EXTENSION OF THE CLOSING DATE

50. In the event that the Purchaser does not complete the transaction contemplated herein on the Closing Date, then in such case, the Vendor shall have the unilateral right at its sole discretion, to extend the Closing Date to a date which is not later than five (5) business days from the Closing Date (the “**Extended Closing Period**”).

Provided that the Vendor elects to extend the Closing Date as aforesaid, then in such case, the Purchaser covenants and agrees with the Vendor to pay to the Vendor on the Closing Date an extension fee of \$500 per day plus HST for each day of the Extended Closing Period up to a maximum of \$2,500 plus HST (the “**Extension Fee**”). In the event that the Closing Date is extended for the full Extended Closing Period, then the parties hereto agree that the new closing date will be the fifth business day from the Closing Date. For the purpose of clarity, in the event that the Purchaser pays the Extension Fee for 3 business days, then in such case, the new closing date will be the 3rd business day from the Closing Date. The Purchaser must advise the Vendor’s Solicitors in writing on the Closing Date as to the number of business days required for such extension within the Extended Closing Period.

In addition to the Extension Fee, the Purchaser covenants and agrees to pay a one-time administration fee to the Vendor of \$500 plus HST (the “**Administration Fee**”) and the Vendor’s Solicitors’ legal fees of \$400 plus HST (the “**Legal Fees**”). The Extension Fee, the Administration Fee and the Legal Fees shall be paid by the Purchaser to the Vendor’s solicitors by certified cheque, bank draft or wire transfer by no later than 5:00 p.m. on the Closing Date. The Vendor and Purchaser agree that if the Closing Date is extended as contemplated above, then the statement of adjustments shall remain as of the Closing Date.

In the event that the Extension Fees and Administration Fee are not paid and received by 5:00 p.m. on the Closing Date, then, this Agreement shall be automatically terminated and be at an end and all deposit monies and any monies paid on account of extras and/or upgrades shall be forfeited to the Vendor as liquidated damages and not as a penalty. The Vendor reserves all of its rights, remedies and recourses hereunder whether at law or in equity.

CONSTRUCTION LIEN ACT

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

GENERAL

52. This offer, when accepted, shall constitute a binding agreement of purchase and sale. Time shall in all respects be of the essence of this Agreement. All of the Purchaser’s and Vendor’s covenants and obligations contained in this Agreement shall survive the Closing Date of this transaction. It is agreed that there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement or the Dwelling or the Real Property, except as set forth herein in writing, and this Agreement shall not be amended except in writing. The Purchaser releases and absolves the Vendor of any obligation to perform or comply with any promises or representations as may have been made by any sales representative or in any sales or marketing material(s), unless the same has been reduced to writing herein.

53. This offer and acceptance is to be read with all changes (including gender and number) required by the context, and shall be construed in accordance with the laws of the Province of Ontario.

54. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

55. The parties hereto agree that the signatures and/or initials on this Agreement or its acceptance, rejection or modification can be transmitted by fax transmission or, at the Vendor’s option, by email (wherein a copy is scanned and forwarded by email to the other party) and that communication by such means will be legal and binding on all parties hereto.

56. In the event there are any matters provided for in this Agreement which are or may be the Vendor’s responsibility pursuant to a municipal, regional or other governmental authority requirement and which the Municipality and/or Region and/or any other governmental authority no longer requires the Vendor to perform, complete, construct or install then such matter(s) shall be deleted from this Agreement and the Vendor shall have no responsibility or obligation in respect thereof.

57. The Purchaser agrees to comply with the terms of any direction re: funds provided by the Vendor or its solicitors in respect of the balance due on the Closing Date and to deliver on the Closing Date certified cheque(s), bank draft(s) or wire transfer(s) for the balance due on the Closing Date as directed by the Vendor or its solicitors.

58. The headings of this Agreement form no part hereof and are inserted for convenience of reference only.

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

60. The Purchaser and the Vendor acknowledge that this Agreement shall be deemed to be a contract under seal.

61. The Purchaser agrees as follows:

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

Vendor for the Purchaser's obligations under this Agreement and the Purchaser may not plead such agency, trust relationship or any other relationships as a defence to such liability.

ADDITIONAL PROVISIONS

62. The Purchaser covenants and agrees to deliver to the Vendor, from time to time, within ten (10) days of written demand from the Vendor, all necessary financial and personal information required by the Vendor in order to confirm the Purchaser's ability to pay the balance of the Purchase Price on the Closing Date, including without limitation, written confirmation of the Purchaser's income, a copy of a mortgage approval letter from a financial institution and evidence of the source of the down payments required to be made by the Purchaser in accordance with this Agreement. Without limiting the generality of the foregoing and notwithstanding any other provision in this Agreement to the contrary, within ten (10) days of written demand from the Vendor, the Purchaser agrees to produce evidence of a satisfactory mortgage approval signed by a lending institution or acceptable mortgagee acceptable to the Vendor in its sole discretion confirming that the said lending institution or acceptable mortgagee will be advancing funds to the Purchaser sufficient to pay the balance due on the Closing Date. If the Purchaser fails to provide the mortgage approval (the "Mortgage Approval") as aforesaid, then the Purchaser shall be deemed to be in default under this Agreement and the Vendor may, in its sole discretion, elect to accept in the place of such mortgage commitment, other evidence satisfactory to the Vendor that the Purchaser will have sufficient funds to pay the balance due on the Closing Date. In the event that the Purchaser fails to provide the Vendor with the Mortgage Approval as noted herein, then the Purchaser shall be deemed to be in default herein, then in such case the Vendor has the right to terminate this Agreement and any deposits, monies paid for extras, upgrades, charges or premiums will be forfeited by Purchaser to Vendor as liquidated damages and not as a penalty.

63. Any fencing, retaining walls or noise barriers or other items of a similar nature erected by the Vendor or the Municipality on, adjacent to or abutting the Real Property shall be maintained by the Purchaser, after the Closing Date, without any modification or alteration whatsoever and in good order and tidy appearance and any landscaping provided by the Vendor in connection therewith shall be maintained by the Purchaser in good order and condition.

(Schedule A to APS (revised March 22, 2017) used for all projects - except Riverland)

EMPIRE

Schedule A/C

Site: _____ **Phase:** _____ **Lot:** _____

The Purchaser acknowledges that the grade premium paid for a Stoop or a WOD or a WOB includes the following feature applicable to the condition:

Stoop Deck Condition: *Occurs when 4 to 6 risers are required from the rear yard grade to the finished floor adjacent to the rear of the home.*

- A pressure treated wood deck with handrail, pickets and one set of stairs to grade. The deck size shall be as follows: a) approximately 8 ft x 4 ft deck for a 5 ft or 6 ft wide exterior main floor patio door, b) approximately 10 ft x 4 ft deck for an 8 ft wide exterior main floor patio door. The Vendor has the discretion to adjust deck sizing based on site conditions. Two concrete patio slabs shall be laid at the base of the wood deck stairs.
- The standard basement window size will apply. Due to varying site conditions, the exact width and location of these windows shall be as per the Vendor's discretion.

Walk-Out Deck Condition (WOD): *Occurs when 7 to 13 risers from the rear yard grade to the finished floor adjacent to the rear of the home. Not applicable to homes that have rear decks as standard conditions (ie. 30-32, 34-13, 34-24, 36-21, 36-H33, 42-13, 42-21)*

- The exterior finish of the house on the rear wall will be extended down to a maximum of 24" above the finish grade and to a minimum of 12" above grade. The remainder of the back wall to be exposed concrete.
- A pressure treated wood deck with handrail, pickets and one set of stairs to grade. The deck size shall be as follows: a) approximately 8 ft x 6 ft deck for a 5 ft or 6 ft wide exterior main floor patio door or single door, b) approximately 10 ft x 6 ft deck for an 8 ft wide exterior main floor patio door. The Vendor has the discretion to adjust deck sizing based on site conditions. Two concrete patio slabs shall be laid at the base of the wood deck stairs.
- The standard basement window(s) on the rear wall of the house shall be re-sized to an approximate 48" x 24" sliding basement window size. Due to varying site conditions, the exact width and location of these windows shall be as per the Vendor's discretion.

Walk-Out Basement Condition (WOB): *Occurs when the basement slab is a minimum 6" above the rear grade at the basement patio door or basement single door location (as per the standard plan)*

- The exterior finish of the house on the rear wall will be extended down to a maximum of 24" above the finish grade and to a minimum of 12" above grade. The remainder of the back wall to be exposed concrete.
- A pressure treated wood deck with handrail and pickets (stairs to grade not included). The deck size shall be as follows: a) approximately 8 ft by 8 ft for a 5 ft or 6 ft wide exterior main floor patio door or single door, b) approximately 10 ft by 8 ft for a 8 ft wide exterior main floor patio door. The Vendor has the discretion to adjust deck sizing based on site conditions. Six concrete patio slabs shall be laid at the exterior patio door location (at grade level) beneath the wood deck.
- The standard basement window(s) on the rear wall of the house shall be re-sized to an approximate 48" x 48" casement basement window size for the rear wall locations only. Due to varying site conditions, the exact width and location of these windows shall be as per the Vendor's discretion.

In all 3 cases - If the standard plan on the rear of the home contains more than one door at the main floor level, the rear deck may be extended to include both doors or a secondary pressure treated wood deck with handrail and pickets having a size of 4 ft x 4 ft. will be installed. Due to varying site conditions, the exact width and location of the rear deck shall be as per the Vendor' discretion.

Date: _____

Purchaser Initials: _____

SCHEDULE "B"

AVALON PHASE 3A-1 SINGLE DETACHED & TOWNHOMES

EXTERIOR FINISHES:

1. Architecturally inspired quality exterior elevations which include HORIZONTAL VINYL CLADDING, GENUINE CLAY BRICK, STONE and/or VINYL BOARD & BATTEN VERTICAL SIDING with ornamental trim details and shutters as per elevations. All exterior elevations and colors are preselected for all Townhomes. All exterior windows and door frames including mullions where shown on elevations are white in colour.
2. Prefinished quality siding, soffits, fascia, eavestroughs, and downspouts, as per elevation.
3. Self-sealing 25-year manufacturer's limited warranty roof shingles from Vendor's predetermined colour samples.
4. Front coach lights, as per elevation.
5. Fully sodded front and rear yards. Narrow side yards between houses and beneath decks (where applicable) may be graveled at Vendor's sole discretion. Lots to graded to the requirements of the authority having jurisdiction.
6. Two stage asphalt paved driveway completed with a base and finish coat.
7. Pre-cast concrete slab walkway to front porch, with rear patio step where applicable.
8. Coach style sectional garage overhead doors as per elevation.
9. Front doors to have antique nickel finish grip set, dead bolt and key lock.
10. Decorative address plaque, location to be determined by Vendor.
11. Drainage system which includes; damp proofing spray, drainage membrane and drain tile.
12. Poured concrete garage floor with reinforced grade beams.
13. Two exterior hose bibs (taps), one at rear elevation and one in garage – location to be determined by Vendor.

INTERIOR KITCHEN FEATURES:

1. Double compartment stainless steel ledge back surface mounted sink with single lever faucet.
2. Choice of white or black kitchen exhaust stove fan vented to the exterior.
3. Cabinet opening provided for future dishwasher which includes rough-in plumbing and electrical for future hook-up, as per applicable plan. Installation and hook-up of dishwasher are not included.
4. Heavy-duty (220 Volt) electrical receptacle for stove.
5. Dedicated (110 Volt) electrical outlet for refrigerator.
6. Purchaser's choice of quality cabinets and laminate countertop, from Vendor's included samples.
7. Island and/or flush breakfast bar as per applicable plan.
8. Electrical outlets at counter level for small appliances.

BATHROOM FEATURES:

1. Purchaser's choice of vanities with laminate countertops in main and ensuite bathrooms, from Vendor's included samples.
2. White pedestal sink in Powder Room.
3. White bathroom fixtures provided.
4. Mirrors provided in all ensuites, bathrooms and powder rooms with wall mounted light fixture(s).
5. Exhaust fans provided in all bathrooms.
6. Single lever faucets provided for all pedestal or vanity sinks.
7. Interconnected G.F.I. outlet provided at pedestal or vanity counter level.
8. Choice of ceramic wall tile for bathtub enclosures and shower stalls, from Vendor's included samples. Tiles included for ceilings on shower stalls only. Ceramic tile to oval/corner tub skirts, deck and surround as per plan and from Vendor's included samples.
9. Washroom accessories to include towel bar, tissue paper dispenser and soap dish. Towel bar and tissue paper dispenser provided only in powder room.
10. All bathtub enclosures and shower stalls to have water pressure balancing valves. All pedestal sinks, vanity sinks, toilets and kitchen sink to have separate shut off valves.
11. Square or rectangular one piece white seamless acrylic shower stall base provided as per plan.
12. Privacy locks on all bathroom doors.

LAUNDRY FEATURES:

1. Single laundry tub with faucet as per plan.
2. Hot and cold water supply provided with a separate drain for clothes washing appliance, as per plan.
3. Heavy-duty (220 volt) electrical outlet for clothes dryer and a dedicated (110 volt) electrical outlet for washer.
4. Exterior venting provided for clothes dryer.

INTERIOR FEATURES:

1. 9' ceilings on main floor for 42' and 50' detached homes only. 8' ceilings on main floor for 27' and 34' detached homes and all townhomes
2. Classicque interior doors as per plan.
3. Colonial style trim throughout from Vendor's included samples.
4. White hardboard sliding closet doors as per plan.
5. Framed mirrored sliding front entrance closet doors with trimmed openings as per plan.
6. Flat archways on main floor to be trimmed as per applicable plan.
7. Antique nickel finish interior hardware throughout the home.
8. Elegant natural finished oak handrail and pickets on all finished areas stairs. Main staircase to be carpeted and stringers to be painted white.
9. Direct gas vented fireplace with a white painted mantel for all 50 ft detached homes only. Any outboard fireplace will be cantilevered and finished with vinyl siding on the exterior.

FLOORING FEATURES:

1. Ceramic flooring in entrance, kitchen, breakfast area, laundry room and all bathrooms from Vendor's included samples as per applicable plans.
2. Choice of one colour of broadloom with foam under pad throughout carpeted areas, including stairs from Vendor's included samples.
3. Tongue & groove OSB subflooring throughout. All sheathing joints to be sanded smooth and screwed down to floor joists.

PAINTING FEATURES:

1. Choice of one paint colour from Vendors included samples for all interior walls.
2. All interior doors and trim to be painted white.
3. California style trowelled textured ceiling finish to all living areas including walk in closets, excluding bathrooms, laundry rooms and kitchens which are to receive smooth ceilings.

ELECTRIAL FEATURES:

1. 100-amp circuit breaker panel with copper wiring throughout.
2. Décor lighting package in nickel finish in all hallways, kitchen and bedrooms.
 - Dining room to receive a switched capped outlet in ceiling.
 - Great Room, Living Room, Family, Parlor or Gathering Rooms to receive a switched receptacle.
 - Walk in closet(s) and Laundry to receive a globe style ceiling light fixture.
 - Bathrooms to receive wall mounted strip light fixture above vanity mirror.
3. White Decora style light switches and plugs throughout finished areas of home.
4. Electric door chimes at front entry door.
5. Smoke detectors and carbon monoxide detectors installed as per code.
6. Two exterior weatherproof electrical G.F.I. outlet at front porch and rear of home plus one holiday soffit outlet switched from the interior at front of home.
7. Three wired telephone locations (Purchaser's choice) completed with cover plate, all home run to electrical panel.
8. Cable TV wiring for family room or gathering area and master bedroom completed with cover plate, all home run to electrical panel.
9. Rough-in for central vacuum provided to main and second floors only.
10. Complete security system installed, upon acceptance of Schedule 'S' – ask your décor consultant for details

HEATING FEATURES:

1. High-efficiency forced-air gas furnace with electronic ignition, power vented to exterior. Ductwork sized to accommodate ventilation system requirements.
2. Purchaser agrees to enter in rental agreement with Vendor's supplier at execution of Agreement of Purchase and Sale for a power vented (to exterior) Hot Water unit and ERV or HRV unit.
3. Ductwork sized to accommodate ventilation system requirements for heating and cooling.
4. Duct work to be professionally cleaned.

GENERAL:

1. All interior selections will be made from Vendor's included samples during private appointment with the Vendor's interior design consultant, at Empire's state-of-the-art Design Centre.
2. Purchaser acknowledges that home may be sited on lot in mirror image / reverse siting, than that which is shown on display materials and renderings.
3. Front Porches may incorporate recessed steps where grade requires.
4. Number of steps at the front porch may vary due to grade conditions.

WARRANTY:

1. Empire Communities Warranty is backed by the Tarion Warranty Program's "Excellent Service Rating" and includes the following:
 - 1-year-materials and workmanship
 - 2-year-plumbing, heating and electrical systems and building envelope
 - 7-year-major structural

HOME ENERGY SAVINGS AND COMFORT FEATURES:

1. 2" x 6" exterior wall with a minimum of R-22 insulation.
2. R-60 blown-in place roof insulation.
3. R-31 batt insulation non-attic roof insulation.
4. R-20 basement wall wrap insulation to 6" above concrete slab.
5. R-31 foam insulation to all rooms above garages and exposed floor areas.
6. Vinyl Casement windows with Low-E coating and an Argon gas filled window cavity.
7. Basement vinyl sliding windows with Low-E coating and an Argon gas filled window cavity.
8. All visibly exposed supply ducts in basement are taped to provide increased furnace efficiency and air flow throughout the home.
9. Programmable thermostat.
10. ERV or HRV– Energy Recovery Ventilator (rental unit)

Purchaser Acknowledgement: Purchaser shall have the right to select floor coverings, cabinets and countertops, bathroom fixtures and purchase upgrades from the Vendor's samples subject to availability and provided that the same have not already been ordered for this house. Variations from Vendor's samples may occur in exterior and interior finishing materials due to the normal production process. The purchaser is advised that the laundry room may be lowered to accommodate side yard drainage, in some cases, door(s) from laundry room or garage will be eliminated at Vendor's discretion. Steps where applicable, may vary at an exterior or interior entranceway due to grading variance. Corner lots and priority lots may have special treatments which require window changes and minor interior modifications to balance and improve the elevations of the house exposed to the street. The Purchaser accepts these changes as necessary. When selecting a house already under construction, the purchaser acknowledges that there may be minor deviations from the floor plan, elevation or layout of this model and the Purchaser agrees to accept such changes as constructed. The floor plan shall be that plan illustrated in the Vendor's latest sales brochure for the model type selected. The purchaser acknowledges that artist's renderings are for display purposes and may not be representative of construction details. Model homes have been decorated for public display purposes and may contain certain features, upgrade finishes and services which may not be included in the basic model type. The Purchaser acknowledges that there will be a variance in floor levels as a result of different finishing materials. Most additional features on display in the model homes are available as extras. Front elevations are modified when alternative floor plans are selected. Due to sitting, grading and paving conditions, roof lines may vary due to structural roof framing conditions, and may not be exactly as shown. The purchaser accepts that all lots have Architectural Control applied to them and exterior architectural features may be added or altered at the Vendor's discretion to comply with Architectural Control Guidelines. Empire reserves the right to use visual representations of your home, taken both during construction and after occupancy, for the purposes of Public and Advertising and I/we hereby consent to the same. Hardwood flooring may react to normal fluctuating humidity levels producing gapping or cupping, both considered to be within acceptable industry standards. Ceilings and walls may be modified to accommodate mechanical systems. Specifications and terms subject to change E. & O.E
Please see Sales Associate for full details.

SCHEDULE "D"

WARNING CLAUSES AND NOTICE PROVISIONS

1.

- (a) The Purchaser acknowledges that it is anticipated by the Vendor that in connection with the Vendor's application to the appropriate governmental authorities for draft plan of subdivision approval 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 Real Property or Subdivision to major street, garbage storage and pickup, school transportation, and similar matters). Accordingly, the Purchaser covenants and agrees that on the Closing Date, the Purchaser shall execute any and all documents required by the Vendor acknowledging, inter alia, that the Purchaser is aware of the Requirements.
- (b) The Vendor states that as of the date of execution of this Agreement of Purchase and Sale, the lot/block has or will have, as the case may be, a community mailbox or super mailbox abutting or fronting on it, and if this is not known as of the date hereof, upon the Vendor being notified of same by Canada Post Corporation the Vendor shall at its own expense, notify in writing to the Purchaser of this fact.
- (c) Purchaser covenants and agrees with the Vendor to execute a covenant prior to the sale to a Purchaser that the Purchaser shall at its own expense notify that person that the Real Property has or will have a community mailbox or super mailbox abutting or fronting on it or if this is not known, upon being so informed by the Canada Post Corporation, the Purchaser shall at its own expense, notify in writing that person of this fact.
- (d) The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance will not cover any betterments or improvements made to the Dwelling, nor any furnishings or personal belongings of the Purchaser or other residents of the Dwelling, and accordingly the Purchaser should arrange for his or her own insurance coverage with respect to same, effective from and after the Closing Date, all at the Purchaser's sole cost and expense.
- (e) It is further acknowledged that one or more of the Development Agreements may require the Vendor to provide the Purchaser with certain notices, including without limitation, notices regarding such matters as land use, the maintenance of retaining walls, landscaping features and/or fencing, noise abatement features, garbage storage and pick-up, school transportation, and noise/vibration levels from adjacent roadways and/or nearby railway lines. The Purchaser agrees to be bound by the contents of any such notice(s), whether given to the Purchaser at the time that this Agreement has been entered into, or at any time thereafter up to the Closing Date, and the Purchaser further covenants and agrees to execute, forthwith upon the Vendor's request, an express acknowledgment confirming the Purchaser's receipt of such notice(s) in accordance with (and in full compliance of) such provisions of the Development Agreement(s), if and when required to do so by the Vendor.
- (f) The Purchaser acknowledges and agrees that the Vendor (and any of its authorized agents, representatives and/or contractors), as well as one or more authorized representatives of the Vendor, shall be permitted to enter the Dwelling after the Closing Date, from time to time, in order to enable the Vendor to correct outstanding deficiencies or incomplete work for which the Vendor is responsible, and to enable the Vendor to inspect the condition or state of repair of the Dwelling and undertake or complete any requisite repairs thereto (which the owner of the Dwelling has failed to do).
- (g) The Purchaser acknowledges and agrees that he or she is absolutely prohibited from altering the grading and/or drainage patterns established by the Vendor in respect of the Real Property, and subject to the requirements of Haldimand County (the "County") without the Vendor's prior written consent and shall not place any fence, shrub, bush, hedge or other landscaping treatment on any portion of the Real Property.
- (h) The Purchaser acknowledges that all exterior colour selections are architecturally controlled for the purpose of providing a pleasing streetscape.
- (i) The Purchaser acknowledges that no exterior colour selection can be guaranteed to the Purchaser.
- (j) The Purchaser acknowledges that while some exterior colour packages may indicate the possible inclusion of a different brick accent colour, this feature will only be assigned to a small percentage of houses in the Development as selected by architectural control and accordingly the assignment of a particular exterior colour package will not necessarily include a different brick accent colour.
- (k) The Purchaser acknowledges that the exterior colour package will include several elements and that no substituted colours within a particular package are possible. The following elements, but not without limitation, are included in the exterior colour package: Main Brick, Accent Brick (where applicable), Stone (where applicable), Roof Shingle, Soffit, Fascia & Downspouts, Vinyl

Siding (where applicable), Paint for Front Doors and Garage Doors, Garage Trim, Crezone Panels (where applicable), Window Trim, Posts and Pickets (where applicable), Louvers (where applicable) and other accent trims (where applicable), etc.

- (l) The Purchaser acknowledges and accepts that all lots have architectural control applied to them and exterior architectural features may be added or altered at the Vendor's sole discretion to apply with architectural guidelines. The Vendor reserves the right to use visual representations of the Dwelling, taken both during construction and after occupancy, for the purposes of public relations and advertising and the Purchaser hereby consents to the same.
- (m) The Purchaser of the above noted lot does hereby acknowledge having been advised that no changes what so ever will be permitted with respect to the Lot, Model Type, Exterior Elevation, Floor Plan, Exterior Colour schedule or terms of this Agreement once this offer has been processed as firm. This restriction does not apply to requests for minor (non structural) interior design revisions which would normally be allowed at the Décor Center.
- (n) The Purchaser acknowledges that if construction has commenced on the Dwelling that construction will continue to proceed. No modification or upgrades affecting the construction progress of the Dwelling will be allowed.
- (o) The Purchaser agrees to accept all exterior and interior selections that have already been made if the Dwelling is under construction.
- (p) Architectural Controls may be required for one or more special provisions for specific lot conditions as indicated on the front page of the offer and identified below with the appropriate charge which has been added to the purchase price where applicable.
- (q) The Occupational Health and Safety Act requires that all visitors to a Dwelling under construction, even during the finishing stages, MUST be equipped with Hard Hats AND Safety boots AND provide proof of current coverage with the Workmen's Compensation Board OR Long Term Disability Insurance that will satisfy the Board and we acknowledge and agree not to enter upon the Real Property and/or the Dwelling prior to the Closing Date.
- (r) Purchaser acknowledges that title may be conveyed directly from the Subdivider of the lands, and not the Vendor herein, and the Purchaser hereby releases the Subdivider from all obligations, liabilities and responsibilities whatsoever arising out of or associated with the construction of the dwelling unit and installation of all other improvements within the lot boundaries, and the Purchaser agrees to execute and deliver on the Closing Date a separate acknowledgement and release in favour of the Subdivider to this effect.
- (s) The transfer/deed to be tendered on the completion of the sale shall be prepared by and at the expense of the Vendor and may contain any or all of the provisions of this Agreement, and if required to do so by the Vendor, the Purchaser shall execute and deliver a covenant incorporating any or all of the aforementioned terms. The parties hereby waive personal tender, and agree that tender of any documents or money may be made either upon them or upon their respective solicitors and money may be tendered by certified cheque drawn on any Canadian chartered bank or trust company. In the absence of any other mutually acceptable arrangement, tender shall be validly made by the Vendor upon the Purchaser in accordance with the terms contained herein. The Purchaser hereby acknowledges and agrees that the key(s) to the property shall be released to him directly from the sales office or the construction site as soon as this transaction has been completed and all relevant documents have been exchanged and/or registered (as the case may be) in accordance with the terms contained herein. It is further provided that, notwithstanding the foregoing, in the event that the Purchaser or his solicitor indicates or expresses to the Vendor or its solicitor, on or before the date for completion of the sale, that the Purchaser is unable or unwilling to complete the sale, then the Vendor shall be relieved of any obligation to make any formal tender upon the Purchaser or his solicitor.
- (t) Provided that in the event the Vendor is unable to deliver to the Purchaser on or before the Closing Date a conveyance of the Real Property free and clear of all mortgages (except as assumed herein), charges, liens and encumbrances, save as may be provided for in the Agreement, for any reason whatsoever, then the Vendor at its option, may require the Purchaser to pay to the Vendor the balance due on the Closing Date which shall be deposited with the Vendor's solicitor in trust, or in a special trust account established by the Vendor with a chartered bank or trust company, and shall take possession of the Real Property and the Vendor's undertaking to deliver a conveyance in accordance with the provisions of this Agreement within such period of time as the Vendor may require. From and after the date of possession, the Purchaser shall be responsible for the realty taxes, water, hydro, gas and other public or private utilities until such time as the Vendor delivers a conveyance to the Purchaser. The parties further agree that upon the Vendor delivering to the Purchaser a conveyance in accordance with the terms of this Agreement, any further adjustments that may be required shall be made at the time of the delivery of the conveyance.
- (u) The Vendor agrees that the sale price herein provided may include the installation of an insulated door between the garage and the laundry room of the Dwelling and/or insulated door between the laundry room and Dwelling exterior. The Vendor hereby advises the Purchaser that if such

installation involves more than one or two steps in the garage or the Dwelling exterior, due to the difference in the grade level, such steps may interfere with or limit the use of the full interior of the garage, or may interfere with the County's side lot allowances and restrictions, and accordingly may of necessity be eliminated by the Vendor and the Purchaser hereby acknowledges being advised of the foregoing and consents to same. The Purchaser hereby acknowledges and agrees that due to grading conditions a deck may be required to provide access to the rear and/or side yards of the Dwelling exterior.

- (v) The Purchaser hereby acknowledges receipt of the foregoing information and agrees that if the installation of the insulated door requires more than one or two steps in the garage or the Dwelling exterior, the Purchaser will accept the deletion of this door or doors as so required.
- (w) The Purchaser acknowledges that due to recent changes in the Ontario Building Code regarding external wall insulation, adjustments to some of the Vendor's stated room dimensions may become necessary to accommodate the increase in insulation.
- (x) The Purchaser hereby acknowledges that the Vendor may, due to the location of services to the building lot and/or street appeal, place the said style of Dwelling on the specified lot, as a reversed plan to the renderings posted in the sales office or the model home viewed by the Purchaser.
- (y) It is hereby agreed and understood by both parties hereto that any adjustments or amendments made by way of facsimile transmission shall be hereby deemed to be accepted and binding to both parties.
- (z) The Purchaser acknowledges and agrees that all exterior colour packages are designed and approved, by lot, by the Vendor's architect.
- (aa) The Purchaser acknowledges and agrees that all interior colour selections are to be made at the Vendor's Decor Center and that certain samples shown in the Sales Presentation Center may not be available at time of selection.
- (bb) The Purchaser acknowledges and agrees that all renderings of elevations displayed are Artist's concepts only and that architectural detail in construction may vary from plan to plan and house to house.
- (cc) The Purchaser acknowledges and agrees that he/she will undertake not to do any work on, or supply any materials to finish the Dwelling on or before the Closing Date.
- (dd) The Purchaser acknowledges and agrees that the Vendor is not responsible for variances in colours, or shades of colours, and textures of materials in the finishes of the Dwelling, such as ceramic tile, cushion door, broadloom, oak pickets and handrails, cabinetry, paint or exterior material including brick and shingles. Materials and colours will be as close as possible to Vendor's samples, but not necessarily identical.
- (ee) The Purchaser acknowledges and agrees that the Vendor is not responsible for shade differences occurring from different dye lots on ceramic tile, cushion door, broadloom, oak pickets and handrail, cabinetry, paint or exterior material finishes including brick and shingles. Materials and colours will be as close as possible to Vendor's samples but not necessarily identical.
- (ff) The Purchaser acknowledges and agrees that should repair work be necessary within the Vendor's Tarion Warranty, the Purchaser acknowledges and agrees that the Vendor is not responsible for shade differences occurring in finishing materials, including ceramic tile, cushion floor, broadloom, oak pickets and handrail, cabinetry, paint or exterior material finishes including brick and shingles.
- (gg) The Purchaser shall indemnify and save the Vendor, its servants and agents harmless from all action, causes of action, claims and demand for, upon or by reason of any damages, or injury to person or property of the Purchaser, or any of its 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.
- (hh) Purchaser/tenant is advised that due to the proximity of the adjacent Georgia Pacific industrial facility, sound levels from these facilities may at times be audible.
- (ii) In respect of those blocks 216, 217, 218, 219, 220 and 221 as identified in Figure 5 of the Environmental Noise and Vibration Assessment completed by Novus Environmental (Vs 3, October 1, 2003). Purchaser/tenant are advised that sound levels due to increasing road traffic may occasionally interfere with some activities of the dwelling occupants as the sound levels exceed the County's and Ministry of Environment's noise criteria.
- (jj) Purchaser/tenant is advised that this dwelling unit has been fitted with a forced air heating system and the ducting, etc., was sized to accommodate central air-conditioning. Installation of central air conditioning by the occupant will allow windows and exterior doors to remain closed, thereby

ensuring that the indoor sound levels are within the County's and Ministry of Environment's noise criteria.

- (kk) Purchaser/tenant is advised that no alteration of the drainage plan for the property or surrounding properties is permitted without the express written approval of Haldimand County.
- (ll) Purchaser/tenant is advised that with regard to certain property within the plan of subdivision, the following provisions will apply:
 - (i) For those lots backing onto open space blocks: That the open space areas within Blocks 249 to 256 are within the ownership of the County and are to remain in a naturalized state with no maintenance to be performed by the County, that the boundary fence is located on County property and no alterations to the areas or fencing is permitted to be made by the adjacent homeowner(s) or tenant.
 - (ii) For all lots within the subdivision: That the majority of the open space system, shown as Blocks 249 to 256, is to remain in a naturalized state with no maintenance to be performed by Haldimand County.
- (mm) Purchaser acknowledges and agrees that servicing allocation for this subdivision will not be assigned until the plan is granted final approval for registration.
- (nn) The Purchaser acknowledges that in respect of future phases of the Project, the Vendor reserves the right to add, delete, revise or modify any of the warning clauses and or notice provisions contained herein as may be require or requested by the County or the Municipality or any other municipal authority and the Purchaser hereby agrees to be bound by such additions, deletions and or modifications to the Notice Provisions and Warning Clauses.
- (oo) For all lots within the subdivision: that the linear park, shown as Blocks 239 to 243 and lands immediately south on draft plan, are to remain in a naturalized state. Minimal maintenance activities are to be performed by the County on the trail system to be constructed in that area only.
- (pp) Purchaser/tenant acknowledges and agrees that there is to be no removal of trees on private property without expressed written consent of the County and the purchaser/tenant is responsible for the care of the street trees in the boulevard for a period of 2 years, including regular watering.
- (qq) Purchaser/tenant is advised that for all lots backing onto or adjacent to stormwater management ponds: That the purpose of the pond is to manage the quality and quantity of stormwater runoff from the development and that from time to time there will be standing water within the pond

SCHEDULE "E"

RECEIPT CONFIRMATION

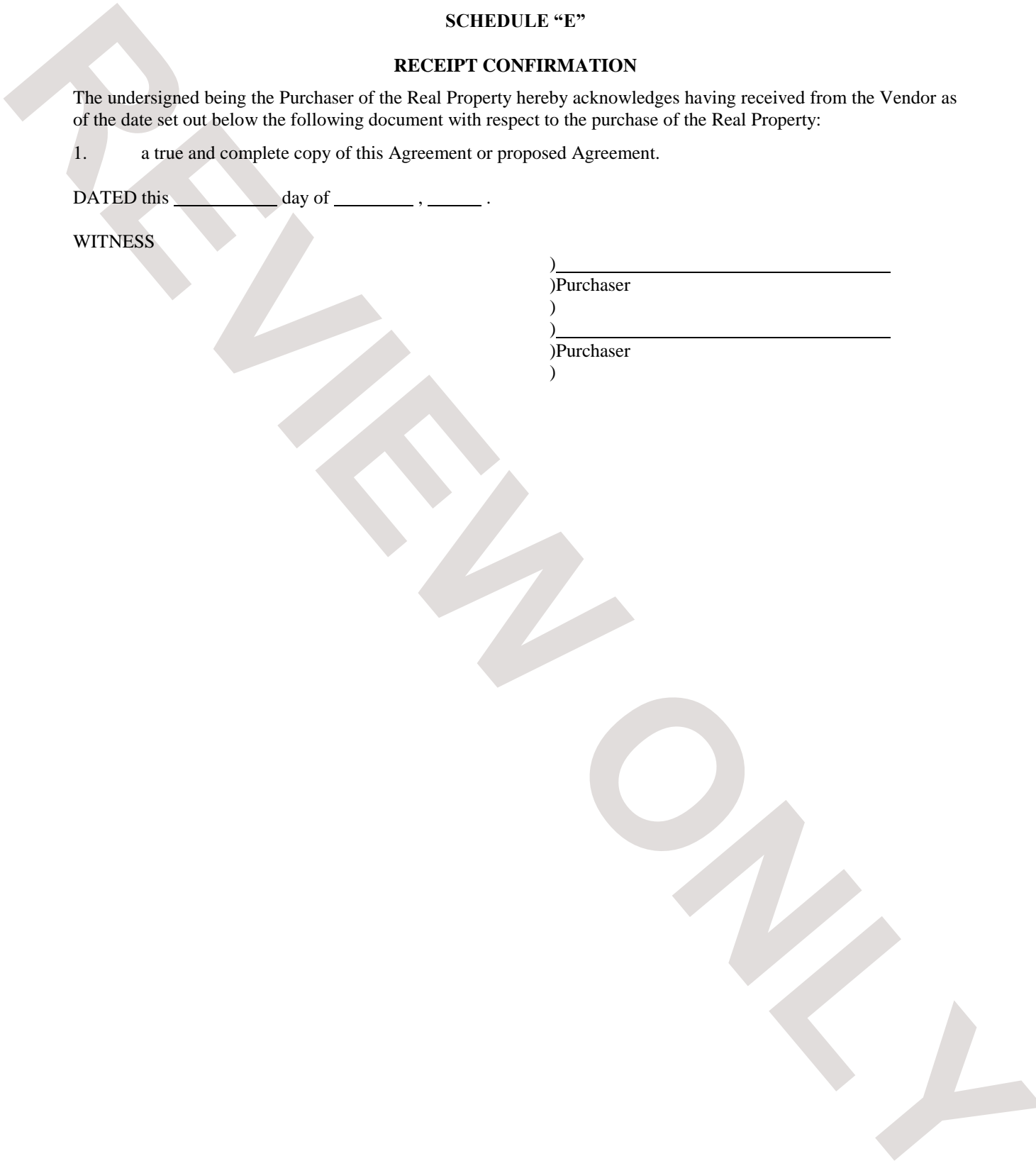
The undersigned being the Purchaser of the Real Property hereby acknowledges having received from the Vendor as of the date set out below the following document with respect to the purchase of the Real Property:

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

DATED this _____ day of _____, _____.

WITNESS

) _____
) Purchaser
) _____
) Purchaser
) _____



EXTERIOR COLOURS

Project Name: _____ Lot: _____ Phase: _____

Purchaser: _____

Purchaser: _____

1. The Purchaser(s) acknowledges that all exterior colour selections are Architecturally Controlled for the purpose of providing a pleasing streetscape.
2. **The purchaser(s) acknowledges that neither the Vendor, nor its representatives, have guaranteed any exterior colour selection chosen by the Purchaser(s).**
3. The Purchaser(s) acknowledge that the exterior colour package will include several elements and that no substituted colours within a particular package are possible. The following elements, but not without limitation, are included in the exterior colour package: Main Brick, Accent Brick (where applicable), Stone (where applicable), Roof Shingle, Soffit, Fascia & Downspouts, Vinyl Siding (where applicable), Paint for Front Doors, Garage Doors, Garage Trim, Crezone Panels (where applicable), Window Trim, Posts and Pickets (where applicable), Louvers (where applicable), etc.
4. Notwithstanding all of the above, the Vendor will endeavor to provide the Purchaser(s) with one of the exterior colour package choices listed herein and acknowledges that no exterior colour package choice shall be guaranteed by the Vendor, The Purchaser(s) hereby designates the following exterior colour packages in order of preference.

Package No. _____

Package No. _____

Package No. _____

Please note that if a selection is not made prior to firm up of this agreement of purchase and sale, then the Vendor will select on behalf of the purchaser, and the purchaser agrees to accept. Purchaser acknowledges that the Vendor shall, in its sole discretion, have final choice on all exterior colour package selections.

Bonus Incentives and Acknowledgements

PURCHASER NAME(S): _____

Lot #: _____ Project/Phase: _____ Plan : _____ Elev: _____
Model: _____ Type: _____

Item #	Description	Price (If Applicable)
1	Vendor to provide: \$X,XXX.XX Decor Dollars to spend at time of decor appointment. This amount is non-transferable, non-refundable, non-negotiable and has no cash value.	N/C
Acknowledgements / Notes:		
<p>The Vendor will undertake to incorporate the work specified in this Schedule X in the construction of the house, but will not be liable to the Purchaser in any way if, for any reason, this work cannot be completed. In that event, any monies paid in connection with same shall be returned to the purchaser without interest or penalty. Any or all of the above noted requests may be refused should they not be finalized within the time frame required by construction. It is understood that if for any reason whatsoever the transaction of Purchase and Sale is not completed, these changes have no cash value and are non-refundable and non-transferrable. All changes are subject to construction approval. The Purchaser further acknowledges that any appliance packages include delivery, but not hook up or installation.</p>		

Prepared by: _____ **Vendor:** MCCLUNG ESTATES LTD

Purchaser: _____

Purchaser: _____ A.S.O. _____ Date Accepted _____

Schedule J

Please review the following Empire Décor policies and procedures, with your co operation we can work together to make your experience a pleasurable one.

Please ensure you bring the following to your appointment:

- 1) your chosen appliance specifications and measurements where required
- 2) Payment- We accept VISA, MASTERCARD, DEBIT or CHEQUE
- 3) any bank or mortgage pre approval form (further details provided at Décor)

Please read carefully and acknowledge the following:

Hours of Operation	You will be given (1) appointment to complete your selections. It will take place at the Décor Studio in Toronto, Ontario and will be scheduled Monday through Friday during business hours. Appointments are facilitated during business hours in order to have complete one on one attention with your décor consultant, access to construction staff, office personnel, and trade partners, should the need arise. We understand and appreciate that arrangements will need to be made with babysitters, employers etc., however this is an industry wide practice and our company policy.
Deadlines	Options Agreement and the Interior Finishes Colour Chart must be finalized no later than 10-12 months prior to closing.
No Change Request	Empire Communities does not accept any changes, additions or deletions to the final Options Agreement or Interior Finishes Colour Chart once they have been authorized by Empire Communities.
Continual Improvement of Product Offerings	Due to Empire Communities policy of continual research and improvements, Empire Communities may decide to offer new products after selections have been completed. As a result homeowner/s may not have the opportunity to purchase such items.
Request for Extras	All requests for extras must be processed through Head Office only. Requests are not to be presented to sales office staff, construction staff or tradesman. Only authorization from Head Office will be recognized as official.
Unauthorized Work	Unauthorized work will not be warranted or guaranteed by the Vendor or Tarion Warranty Corporation, as stated in the Ontario New Home Warranties Plan Act, Section 13, Item 2 (G): and may be removed from the premises at the cost of the purchaser.
Payment Options	All upgrades are required to be paid in full at least 120 days prior to closing. Payment Plans may be presented at your Décor Appointment.
Acceptance by Customer	Only items listed on the Options Agreement, the Interior Finishes Colour Chart or any signed addendums in conjunction with the Agreement of Purchase and Sale will be ordered for the home. It is the responsibility of the homeowner to insure the accuracy of these signed documents. These signed documents will supersede any discussions or verbal representations by Empire Communities representatives which may differ from the signed documents.
Acceptance by Builder	The Options Agreement is only valid if accepted and signed by Empire Communities and upon receipt of required deposit / payment in full.
Discontinued Interior Finishes	If an interior finish feature has become discontinued or unavailable Empire Communities will notify the homeowner in writing. If a colour, finish or style choice is required for this new product that selection must be made within 7 business days of receiving notification by Empire Communities, or within any other time as agreed by Empire Communities. Should a new selection not be chosen within 7 business days Empire Communities has the right to substitute options of equal quality.
Inventory Lots	If a home is purchased as an inventory home, changes will not be permitted with respect to the following: lot, model, exterior elevation, floor plan, exterior colour package, minor (non structural) interior design enhancements or terms and conditions of this agreement. The homeowner agrees to accept all exterior and interior selections that have already been made if the home is under construction. Should the homeowner be given the opportunity to select interior finishes, they will be required to make the selections within 7 business days of the Agreement of Purchase and Sale going firm. Failing which Empire Communities has the option of choosing those finishes. Should the homeowner wish to cancel or amend the existing contract to change house type or elevation there will be a \$1500.00 fee due in advance providing the existing contract can be cancelled.

SCHEDULE "LM"

This Agreement is conditional upon Purchaser(s) arranging his/her own mortgage financing and the Purchaser's approval with respect to the legal terms and conditions contained in the agreement until
5:00PM on _____.(the "Conditional Period")

The Purchaser hereby acknowledges, covenants and agrees:

- a) To provide the Vendor within the Conditional Period noted above a copy of his mortgage approval (the "Approval") signed by a financial institution or brokerage firm in good standing with all applicable governmental authorities (the "FI") for a mortgage for the purchase of the Real Property in an amount equal to or greater than The Purchase Price less Total Deposit (the "Amount") pursuant to the Agreement of Purchase and Sale, Clause 1. or a letter from a FI confirming that the Purchaser has cash and/or securities in amount not less than the Amount deposited or invested with the FI, failing which the Purchaser shall, at the option of the Vendor, be in default hereunder.
- b) In the event, at any time prior to the Closing Date, the FI withdraws the Approval or an amount not less than the Amount is no longer deposited at or invested with the FI, the Purchaser shall have 10 days to provide a copy of a replacement Approval to the Vendor or evidence that an amount not less than the Amount has been deposited at or invested with a FI failing which the Purchaser shall, at the option of the Vendor, be in default hereunder.
- c) The Purchaser hereby irrevocably authorizes the Vendor to contact the applicable FI from time to time to verify that the Approval is in good standing and/or an amount not less than the Amount is deposited or invested with such FI.

Should the Purchaser(s) be unable to arrange mortgage financing by this date, the Purchaser(s) must provide the Vendor with notice in writing of the refusal from the lending institution by the above-noted date otherwise this condition shall be deemed satisfied and waived from this Agreement and the Agreement shall be considered firm and binding.

In the event that the Purchaser's lawyer does not approve the legal terms of the Agreement within the above noted time period and does not provide the Vendor with written confirmation of such non-approval within the specified time period, then this condition shall be deemed to have been waived by the Purchaser(s), and this Agreement shall be considered to be firm and binding.

If such notification is received by the Vendor as noted above within the requested time period, then this Agreement shall become null and void and all deposit monies shall be returned to the Purchaser(s) in full without interest or deduction and the parties hereto shall have no liability hereunder one to the other.

Property _____

Statement of Critical Dates
Delayed Closing Warranty

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

NOTE TO HOME BUYERS: Please visit Tarion's website: www.tarion.com for important information about all of Tarion's warranties including the Delayed Closing Warranty, the Pre-Delivery Inspection and other matters of interest to new home buyers. You can also obtain a copy of the Homeowner Information Package which is strongly recommended as essential reading for all home buyers. The website features a calculator which will assist you in confirming the various Critical Dates related to the Closing of your purchase.

VENDOR

_____ Full Name(s)

PURCHASER

_____ Full Name(s)

1. Critical Dates

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

the ____ 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: _____

**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)			
Tarion Registration 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: Yes No
 (i) water capacity; and (ii) sewage capacity to service the Property.

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.**

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

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

2. Changing the Firm Closing Date – Three Ways

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

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

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

4. Changing Critical Dates – By Mutual Agreement

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

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

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

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

5. Extending Dates – Due to Unavoidable Delay

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

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

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

Condition #1 (if applicable)

Description of the Early Termination Condition:

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

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

Condition #2 (if applicable)

Description of the Early Termination Condition:

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

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

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

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

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

MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

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

8. Adjustments to Purchase Price

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

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

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

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

10. Termination of the Purchase Agreement

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

11. Refund of Monies Paid on Termination

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

12. Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

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

15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

SCHEDULE A

Types of Permitted Early Termination Conditions

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

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

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

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

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

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

2. The following definitions apply in this Schedule:

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

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

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

3. Each condition must:

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

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

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

SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

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

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

1. Water Meter Installation (\$3,738.00 + HST), Schedule A, Paragraph 18 (e);
2. Hydro Energization (\$550.00 + HST), Schedule A, Paragraph 18 (e);
3. Community Tree Planting Charge (\$750.00 + HST), Schedule A, Paragraph 18 (n);
4. Survey of the Real Property (\$125.00 + HST), Schedule A, Paragraph 18 (p);
5. Driveway installation (Single driveway \$965.00 + HST, double driveway \$1,500.00 + HST), Schedule A, Paragraph 18 (h)
6. Law Society Levy (\$65.00 + HST), Schedule A, Paragraph 18 (i);
7. Tarion Warranty Corporation Enrolment Fee (\$_____), Schedule A, Paragraph 18 (a);

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

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

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

1. Adjustment for additional fee for increase of Tarion fee due to extras, Schedule A, Paragraph 18 (a);
2. Chattels and HST, Schedule A, Paragraph 18 (b);
3. Any amounts which remain unpaid and owing to the Vendor on account of upgrades and/or extras and/or changes ordered by the Purchaser, plus HST, Schedule A, Paragraph 18 (c);
4. Realty Tax, Purchaser pays pro-rated portion, Schedule A, Paragraph 18 (d);
5. All amounts chargeable and billable to the Purchaser for water, hydro, gas, cable T.V. and any other services arising as a result of the Purchaser's failure to make his own contractual arrangements with the relevant public or private utility authorities and suppliers on the Closing Date and for which the Vendor is subsequently charged, Schedule A, Paragraph 18 (f);
6. The cost for any damages to or unauthorized changes that the Purchaser may make to the grading of the Real Property and/or the driveway and/or any amounts the Purchaser may owe to the Vendor and/or for any breach of any of the Purchaser's obligations pursuant to this Agreement and any damages, costs and expenses the Vendor may incur as a result thereof. Schedule A, Paragraph 18 (g);
7. In the event the Municipality and/or any other governmental or regulatory authority, board or entity requires the installation and/or erection of a privacy fence, lot line fence, chain link fence, retaining wall(s) and/or any other item of a similar nature relating to the Real Property the cost thereof, Schedule A, Paragraph 18 (k);
8. Any tax that may be levied or charged in the future by any governmental authorities, Schedule A, Paragraph 18 (l);
9. Any levies, capital charges, imposts, education charges, or other charges of any nature or kind whatsoever (collectively the "Levies") or any increase in the cost of any Levies, Schedule A, Paragraph 18 (m);
10. The cost of any obligation undertaken by the Vendor to the subdivider or the developer to contribute to community landscaping, Schedule A, Paragraph 18 (o);
11. Any adjustments to be made on the Closing Date that cannot be accurately determined at the time of the Closing Date, then the Vendor may estimate the adjustment to be made and the Closing Date shall take place in accordance with this estimate. there shall be a later and final adjustment when all the items to be adjusted can be accurately determined, Schedule A, Paragraph 19;
12. NSF Fee for any cheque given by the Purchaser that is returned after being presented for payment to the financial institution on which it is drawn, by reason of there not being sufficient funds in the account on which said cheque is drawn. The Purchaser shall pay the Vendor for each such returned cheque the sum of \$250.00 plus HST, Schedule A, Paragraph 21.
13. Installation and/or erection of a privacy fence, lot line fence, chain link fence, retaining wall(s) or any other item of similar nature (\$_____ + HST), Schedule A, Paragraph 18 (k);