

AGREEMENT OF PURCHASE AND SALE
Kitchener, Ontario

Designated Lot No. _____, on the Site Plan attached as Schedule “S” hereto.

MODEL NAME: _____ CONSTRUCTION NAME: _____ ELEVATION: _____

GARAGE: _____ OPTIONAL PLAN (IF ANY) _____

PROPERTY DIMENSIONS: _____ more or less (frontage) by _____ more or less (depth).

1. The undersigned, _____ (the “**Purchaser**”) hereby agrees to and with **HEATHWOOD HOMES (HURON) LIMITED** (the “**Vendor**”) to purchase all and singular the lands and premises in the City of Kitchener (the “**Municipality**”), presently forming and comprising a portion of those lands described above and as generally described on the site plan attached hereto as Schedule “S” (the “**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 to the Vendor as follows:
- (a) by cheque in the amount of _____ Dollars (\$ _____) submitted with this Agreement;
 - (b) by cheque in the amount of _____ Dollars (\$ _____) submitted with this Agreement, post-dated to thirty (30) days from the date of acceptance of this Agreement;
 - (c) by cheque in the amount of _____ Dollars (\$ _____) submitted with this Agreement, post-dated to sixty (60) days from the date of acceptance of this Agreement;
 - (d) by cheque in the amount of _____ Dollars (\$ _____) submitted with this Agreement, post-dated to ninety (90) days from the date of acceptance of this Agreement;

to the Vendor as deposits (collectively, the “**Deposit**”) and covenants, promises and agrees to pay the balance of the Purchase Price, by wire transfer from the Purchaser’s solicitor trust account from a Canadian chartered bank, to the Vendor on the Closing Date (as hereinafter defined), subject to adjustments as hereinafter set out.

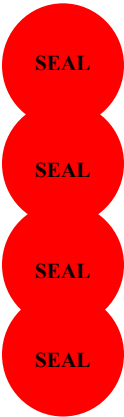
2. This transaction of purchase and sale is to be completed on the First Tentative Closing Date (as defined in the Statement of Critical Dates being part of the Tarion Addendum as hereinafter defined) or such extended or accelerated date established in accordance with the terms of this Agreement including, without limitation, the Tarion Addendum, which date is hereinafter referred to as the “**Closing Date**” or “**Closing**”.
3. This Offer shall be irrevocable by the Purchaser until the _____ day of _____, 2021, after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Purchaser in full without interest.
4. The following Schedules attached hereto form a part of this agreement:
- | | |
|--|--|
| Schedule A – Standard Features | Schedule I – Purchaser Condition - Lawyer |
| Schedule B – Safety | Schedule J – Purchaser Condition - Financing |
| Schedule C – Electronic Messages | Schedule M – Restrictions |
| Schedule D - Warnings | Schedule R – Further Deposits |
| Schedule E – Inclusions | Schedule S – Site Plan |
| Schedule F – Schedule and/or Floorplan | Schedule X – Additional Terms |
| Schedule G – Credit Report Consent | |
| Schedule H – Notices | |
| Schedule “T” - Tarion Addendum and Statement of Critical Dates | |
| Schedule _____ - _____ | |

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

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

SIGNED this _____ day of _____, 2021.

WITNESS: _____) _____	
_____) Purchaser	Date of Birth _____
Name: _____) _____	
_____) Purchaser	Date of Birth _____
Name: _____) _____	
_____) Purchaser	Date of Birth _____
Name: _____) _____	
_____) Purchaser	Date of Birth _____
Name: _____		



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

ACCEPTED this _____ day of _____, 2021.

Purchaser's Solicitor:	HEATHWOOD HOMES (HURON) LIMITED
_____	per: _____
_____	Authorized Signing Officer
_____	Vendor’s Solicitor: HARRIS, SHEAFFER LLP
	Attention: Robert Sheaffer
	4100 Yonge Street, Suite 610,
	Toronto, Ontario M2P 2B5
	tel: (416) 250-5800 fax: (416) 250-5300



1. **CONSTRUCTION MATTERS:****COMPLETION OF DWELLING**

- (a) The Vendor will construct (if not already constructed) and complete upon the Property a dwelling (the "Dwelling") of the type hereinbefore indicated in accordance with the plans and specifications for this model type and filed or to be filed to the municipality. The Dwelling shall be deemed to be completed when all interior work has been substantially completed as determined by the Vendor and the Purchaser agrees in such case to close this transaction, without holdback of any part of the Purchase Price, on the Vendor's undertaking given pursuant to Paragraph 1 (b) hereof to complete the Dwelling, and the Purchaser hereby agrees to accept the Vendor's covenant of indemnity regarding lien claims which are the responsibility of the Vendor, its trades and/or suppliers, in full satisfaction of the Purchaser's rights under the Construction Lien Act, and will not claim any lien holdback on closing. The Vendor shall provide evidence that occupancy is permitted in accordance with and only to the extent required by the Tarion Addendum.

TARION WARRANTY INSPECTION ("TWC")

- (b)
- (i) 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 TWC 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 Ontario New Home Warranties Plan Act as amended (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.
- (ii) The Purchaser acknowledges that the Homeowner Information Package as defined in TWC Bulletin 42 (the "HIP") is available online from TWC. In the event that the Vendor requires, the Purchaser or the Purchaser's designate agrees to execute and provide to the Vendor the Acknowledgement of Receipt of the HIP by PDF forthwith upon receipt of the HIP and not later than the PDI.
- (iii) 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.
- (iv) 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 of Purchase and Sale 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.
- (v) 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 of Purchase and Sale and/or at law.

2. **PURCHASER'S COVENANTS:**

The Purchaser agrees with the Vendor as follows:

ACCEPTANCE OF PLAN OF SUBDIVISION

- (a) To forthwith upon request do all acts and execute and deliver all documents, both before and after closing, as may be required by the Vendor or the relevant municipality (the "Municipality") in connection with and the acceptance of the plan of subdivision wherein the Property is situate as a whole by the Municipality.

ENCUMBERING THE PROPERTY

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

NON MERGER

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

SUBSTITUTIONS

- (d) Acceptance of construction, siting and grading by the Municipality shall conclusively constitute acceptance by the Purchaser. The Vendor shall have the right to substitute materials for those designated in the plans and/or specifications provided the quality is equal or better, and also to make minor changes in plans, siting and specifications, provided there is no objection from the Municipality.

GRADING

- (e) The Purchaser will not alter the grading of the Property contrary to the municipally approved drainage and/or grading control plan, and provided that lot grading has been completed in accordance with the municipally approved drainage and/or grading control plan, the Purchaser is stopped both from objecting thereto and from requiring any amendments thereto. The Purchaser shall not pave or finish the driveway without the prior written consent of the Vendor and the prior written consent of the Subdivider and the Municipality, if required by the subdivision agreement or any other municipal agreement or requirement. Following such approval and prior to completing the driveway, the Purchaser shall notify the Vendor in writing so that water keys can be located and raised, if necessary. The Purchaser covenants and agrees not to damage or alter any subdivision service, and shall be liable for the cost of rectification of any such damage or alteration, and in the event same is not paid upon demand, the Vendor shall have the right to register a lien on title to secure such payment which lien may be enforced in the same manner as a mortgage in default. The Purchaser agrees that neither the Purchaser(s) nor their successors or assigns shall construct or install a swimming pool, fencing, or decking upon the Property until after the Vendor has obtained acceptance of lot grading from the Municipality and approval from the Subdivider.

UTILITIES

- (f) Unless expressly provided in this Agreement, the hot water heater and tank is not included in the Purchase Price and shall remain chattel property. The Purchaser agrees to execute a rental contract for the said heater and tank and agrees to take all necessary steps to assume immediately on closing, charges for hydro, water and other services, and the Vendor may recover any payments therefor from the Purchaser. The water meter is not included in the purchase if it is not the Property of the Vendor. The Purchaser shall pay, or reimburse the Vendor for the cost of, or the charge made for, water service and installation of the water meter and the cost of hydro installation and connection fee.

TARION WARRANTY CORPORATION ENROLMENT FEE/HCRA OVERSIGHT FEE

- (g) The Purchaser covenants and agrees to reimburse the Vendor on closing for the enrolment fee paid by the Vendor for the Dwelling under the ONHWPA. The Purchaser covenants and agrees to reimburse the Vendor on closing for the cost of the Home Construction Regulatory Authority regulatory oversight fee for the Dwelling.

TITLE DIRECTION

- (h) The Purchaser(s) agrees to provide the Vendor's Solicitor with a written direction as to whom title is to be conveyed (subject to the first mortgagee's requirements, which the Purchaser will abide by), no later than thirty (30) days prior to the Closing Date, failing which, the Vendor is hereby directed to convey title to the Purchaser(s) set forth and named in this Agreement. Prior to closing, the Purchaser covenants not to register this Agreement or any other document on title.

RELEASE OF KEYS

- (i) Keys will be released to the Purchaser at the construction site or the sales office or the head office of the Vendor or in accordance with the Escrow Document Registration Agreement (as hereinafter defined), as the Vendor in its absolute discretion determines, unless otherwise specifically agreed in writing between the Vendor and the Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser.

EXTRAS

- (j) The Purchaser covenants and agrees that he shall pay to the Vendor in advance for all extras, upgrades or changes ordered by the Purchaser at the time such order is made and the Purchaser further acknowledges and agrees that such payment is non refundable in the event that his transaction is not completed for any reason whatsoever. If any amount payable for extras, upgrades or changes is owing to the Vendor as of the Closing Date, such amount shall be paid by the Purchaser in full on the Closing Date as an adjustment on closing. Notwithstanding anything herein contained to the contrary, the Purchaser acknowledges and agrees that if, upon Closing, any of the extras, upgrades or changes ordered by the Purchaser remain incomplete in whole or in part or if the Vendor shall, in its sole discretion, determine that it will not provide extras, upgrades or changes or cannot complete the extras, upgrades or changes then there shall be refunded to the Purchaser upon Closing that portion of the amount paid by the Purchaser in connection with such extras, upgrades or changes allocated to those extras, upgrades or changes which remain incomplete in whole or in part as aforesaid, as determined by the Vendor. The Purchaser further acknowledges and agrees that the amount so paid to the Purchaser (or for which, in the alternative, the Purchaser receives credit in the statement of adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be deemed to have been released from any and all obligations, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes. In the event the Purchaser neglects to advise the Vendor forthwith upon request as to the Purchaser's selection of finishing specifications, or orders any extras, upgrades in interior finishing, or performs any work in or about the Dwelling which causes delay in the Vendor's construction operations, the Vendor may require the Purchaser to complete this transaction on the Closing Date herein set out without holdback of any part of the Purchase Price, on the Vendor's undertaking to complete any of the Vendor's outstanding work.

SALE RESTRICTION

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

TITLE RESTRICTIONS

- (l) The Purchaser shall accept the Property, subject to the building and other restrictions registered on title, including provisions in the Subdivider's deed to the Vendor or Purchaser and including Instrument No. WR1189086 (and/or restrictions similar to the restrictions set out in Instrument No. WR1189086), provided there is no breach of such restrictions on closing, and to execute and grant any easements or right of way for installation and/or maintenance of services as may be required, both before and after closing, by any governmental, railway or utility authority or body. Without limiting the generality of the foregoing, the Purchaser shall accept title subject to the restrictions set out on Schedule "M".

DIMENSIONS OF THE PROPERTY

- (m) The Purchaser understands that the dimensions of the Property described herein are approximate only and that in the event such dimensions are determined to be less than or more than set out above, the Purchaser agrees to accept the Property with such lesser or greater dimensions without any alteration of the Purchase Price provided the Property complies with municipal requirements.

SODDING

- (n) The Purchaser acknowledges that grading and sodding, if any, shall be done at such times as weather conditions permit as per the Vendor's scheduling program. The Purchaser agrees that he shall be solely responsible for watering and general maintenance of sod, if any, from the Closing Date or from the date that sod is laid, whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod, the Vendor shall not be obligated to do so until payment has been made therefor by the Purchaser and if so replaced, the Purchaser agrees to reimburse the Vendor for the costs and expenses of same as determined by the Vendor.

NOTICES

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

COLOUR SELECTION

- (p) The Purchaser covenants and agrees to attend within thirty (30) days of any and all notifications from the Vendor (the "**First Notice Period**") to make colour and other selections from the Vendor's standard samples, such selections to be noted on the Vendor's standard selection form and when completed shall constitute part of this Agreement (the "**Interior Finishing Selection Sheet**"). In the event the Purchaser does not so select within the First Notice Period, then the Purchaser shall be given a second opportunity to attend within ten (10) days of notification from the Vendor (the "**Second Notice Period**") and make the aforementioned colour and other selections. In the event that the Purchaser does not so select within the Second Notice Period, then the Purchaser shall be given a final opportunity to attend within five (5) days of notification from the Vendor (the "**Final Notice Period**") and make the aforementioned colour and other selections. In the event the Purchaser does not so select within the Final Notice Period, the Vendor may at its sole option, either make such selection on behalf of the Purchaser, and in any such event, the Purchaser hereby irrevocably agrees to accept the Vendor's selection without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligation herein, or the Vendor may terminate this Agreement and the Purchaser agrees that the deposit monies paid by the Purchaser hereunder shall be forfeited to the Vendor in addition and without prejudice to any other remedy available to the Vendor arising out of such default.

In the event any item on the Interior Finishing Selection Sheet becomes unavailable, or, if such selection would not be available in a timely fashion, (such determination to be made by the Vendor at its sole discretion), the Purchaser shall immediately re-attend and re-select an alternative from the Vendor's available samples within seven (7) days of any and all notifications from the Vendor (the "**Re-Selection Period**"). In the event the Purchaser does not so re-select within the Re-Selection Period, the Vendor may at its sole option, either make such re-selection on behalf of the Purchaser, and in any such event, the Purchaser hereby irrevocably agrees to accept the Vendor's re-selection without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligation herein, or the Vendor may terminate this Agreement and the Purchaser agrees that the deposit monies paid by the Purchaser hereunder shall be forfeited to the Vendor in addition and without prejudice to any other remedy available to the Vendor arising out of such default.

Only such items as may be unavailable, or unavailable in a timely fashion (as determined by the Vendor at its sole discretion) may be re-selected by the Purchaser. In the event of default by the Purchaser in re-selection, and a re-selection by the Vendor on behalf of the Purchaser, the re-selection shall be of equal or better quality than the original selection. The Purchaser acknowledges that many finishing materials are subject to slight colour variations and also to availability. Therefore, from time to time certain finishes may not perfectly match colour samples displayed. Natural materials, such as marble, granite, hardwood and brick are particularly susceptible to such variations.

COLOUR VARIATIONS

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

HST ON CHATTELS

- (r) If applicable, the Vendor shall have the option to collect and remit the HST, if any, payable by the Purchaser on chattels which are purchased in this transaction as a charge on closing and the allocation of such chattels will be estimated, if necessary, by the Vendor.

READJUSTMENTS

- (s) All proper readjustments shall be made after closing, if necessary, forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations described in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty (20%) percent per annum, calculated daily, not in advance and shall be a charge on the Property until paid and such charge shall be enforceable in the same manner as a mortgage in default.

HOME OWNER SERVICE

- (t) No request by the Purchaser for home owner service will be processed by the Vendor unless such request is in writing other than emergency service, such as no heat, water or hydro.

BASEMENT DEVELOPMENT

- (u) Unless pursuant to the terms of this Agreement the Vendor is finishing the basement of the Dwelling, the Purchaser in all other cases covenants not to finish the whole or any part of the basement of the Dwelling for a period of two (2) years after the Closing Date. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of water damage to basement improvements and chattels stored in the basement resulting from water seepage, including any consequential damages arising therefrom.

SETTLEMENT

- (v) If settlement occurs due to soil disturbances around the house, the walkways, driveways and sodded areas, all minor settlements shall be the responsibility of the Purchaser, and the Vendor will rectify any major settlement once only, and such work, unless of an emergency nature, will be completed when reasonably feasible and according to the Vendor's work program and availability of materials and tradesmen's services. The Vendor is not responsible for any damage to the Dwelling which the Vendor considers of a minor nature by reason of such settlement.

ARCHITECTURAL CONTROLS AND SITING

- (w) The Purchaser acknowledges and agrees that architectural control of external elevations, driveway construction, boulevard tree planting, landscaping, corner lot fencing (including the location of such corner lot fencing), exterior colour schemes, or any other matter external to the Dwelling designed to enhance the aesthetics of the community as a whole, may be imposed by the Municipality and/or the Subdivider. In the event the Vendor is required, in compliance with such architectural control requirements, to construct an external elevation for this Dwelling other than as specified in this Agreement, or amend the driveway location siting or construction, boulevard tree planting or landscaping plan for this Dwelling (all of which is hereinafter referred to as the "Amended Elevation"), the Purchaser hereby irrevocably authorizes the Vendor to complete the Dwelling herein including the required Amended Elevation, and the Purchaser hereby irrevocably agrees to accept such Amended Elevation in lieu of the elevation specified in this Agreement. The Vendor shall have the right, in its sole discretion, to construct the hereinbefore described Dwelling either as shown on the sales brochures, renderings and other plans and specifications therefor reviewed and approved by the Purchaser, or, to construct such Dwelling on a reverse mirror image plan, including reversal of garage siting and reversal of interior floor plan layout. Construction of a reverse mirror image Dwelling plan is hereby irrevocably accepted by the Purchaser without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligations as to construction of the Dwelling type hereinbefore described. Further, in the event the Vendor determines, at its sole discretion, to construct the Dwelling at a grade level different than as depicted in the sales brochures, renderings and other plans and specifications therefor reviewed and approved by the Purchaser, necessitating a step or series of steps to the front door, side door, rear door, or any door from the garage to the interior of the Dwelling, the Purchaser hereby irrevocably agrees to accept such change without any right of abatement of Purchase Price and in full satisfaction of the Vendor's obligation as to Construction of the Dwelling type hereinbefore described. 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 lot/block numbers, municipal addresses and/or legal descriptions for the Property and/or the Dwelling.

FINAL GRADING

- (x) The undersigned hereby acknowledges that complete engineering data in respect of the Municipally approved final grading of the Property may not, as yet, be complete and accordingly, it may not be possible to construct a Dwelling with a walk out basement or a walk out deck where so indicated in this Agreement. Alternatively, the municipality may require the construction of a walkout basement or walkout deck not contemplated by this agreement. In the event this Agreement calls for a walk out basement or a walk out deck and such is not possible, or in the event this Agreement does not call for a walk out basement or a walk out deck and such is required, pursuant to final approved grading and engineering plans, the Purchaser agrees to accept whatever changes are necessitated by the final approved grading and engineering plans. In addition the Purchaser agrees further to pay the Vendor the additional cost involved in constructing such walk out basement or walk out deck, as the case may be (such costs shall be absolutely determined by the Vendor).

3. TITLE MATTERS:

SUBDIVISION AGREEMENT

- (a) The Purchaser acknowledges and agrees that title may on closing be subject to one or more agreements with a municipality or other governmental authority or agency, including one or more subdivision or other development agreements and that the Subdivider has agreed at its own expense to construct, install and pay for roads, sanitary sewers, water mains and all other services in accordance with the requirements of the Municipality, which the Vendor herein is not responsible to construct, install or pay for. The Purchaser agrees that the Vendor shall not be obligated on closing or thereafter to obtain releases of such agreements, including any subdivision or other development agreements provided that the same have been complied with as of the Closing Date and the Purchaser shall satisfy himself as to compliance.

ACQUISITION OF TITLE

- (b) The Purchaser acknowledges that the Vendor may not be the registered owner to the Property and the Vendor may have agreed to acquire registered title to the Property from the Subdivider on terms set forth in a separate purchase agreement.

RELEASE TO SUBDIVIDER

- (c) The Purchaser acknowledges that title may be conveyed directly from the Subdivider, and not the Vendor, and the Purchaser hereby releases the Subdivider from all obligation, liability and responsibility whatsoever arising out of or associated with the construction of the Dwelling and installation of all other improvements within the lot boundaries or external to the lot boundaries, and the Purchaser agrees to execute and deliver on closing a separate acknowledgement and release in favour of the Subdivider to this effect.

PRIOR MORTGAGES

- (d) In the event any mortgages are outstanding on closing the discharge of which is the Vendor's obligation, the Purchaser agrees to accept the Vendor's solicitor's undertaking to obtain and register the discharge of the same within a reasonable period of time after closing in full satisfaction of the Vendor's obligation in that regard. Until closing, the Purchaser hereby acknowledges the full priority of any mortgage or construction financing arranged by the Vendor and/or secured by the 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 any acknowledgements or postponements required to give full effect thereto.

TITLE SEARCH

- (e) Provided the title is good and free from all encumbrances except as herein provided, and except as to building and other restrictions, and to any easement or right of way granted or to be granted for installation and/or maintenance of services, T.V. transmission system, mutual driveways, environmental easements, easements for noise and vibration and for access to rear yards and for maintenance of adjoining dwellings, if applicable. Furthermore, title to the Property may be subject to encroachments by portions of the buildings located on abutting lands, including eaves, eavestroughing, or other attachments to the roofs, and the Purchaser further acknowledges that portions of the Dwelling may encroach onto abutting lands where the right to do so exists. The Purchaser further acknowledges that the Property may be subject to possible fence encroachments. The Purchaser is not to call for the production of any title deeds, abstract or other evidence of title except as are in the possession of the Vendor. The Purchaser is to be allowed until thirty (30) days prior to the Closing Date, to examine the title at his own expense and if, within that time, any valid objection to title is made in writing to the Vendor which the Vendor shall be unable or unwilling to remove and which the Purchaser will not waive this Agreement shall (except for the Purchaser's

obligations for extras or changes), notwithstanding any intermediate act or negotiations be void and the deposit monies shall be returned, without interest, and the Vendor and the Broker shall not be liable for any damages or costs whatsoever, 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 objection so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Property. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions.

WARNING CLAUSES AND NOTICES

- (f) The Purchaser hereby confirms that he has been advised of the matters set out in the Schedule D and Schedule H attached to this Agreement with respect to specific warning clauses and specific 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 Property, environmental issues, noise levels from adjacent roadways or otherwise, maintenance of municipal fencing, school transportation and related educational issues, the status of services and works in the subdivision in which the Property is located, noise and/or vibration levels from nearby railway lines, the absence of door-to-door mail delivery, the absence of local or neighbourhood schools, the location of "super mailboxes", which may be included on the Property or on the boulevard adjacent to the property, and in general, any other matter that may be deemed by the municipality to inhibit or interfere with the enjoyment by the Purchaser of the Property. The Purchaser acknowledges and agrees that 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 may 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 Closing, the Purchaser shall, if required by the Vendor, forthwith execute upon request from the Vendor or its solicitors an acknowledgment or amendment to this Agreement containing the required notices and warning clauses, failing which the Purchaser shall be in default under this Agreement, at the Vendor's sole option, the Vendor may sign such acknowledgment or amendment to the Purchaser's attorney as aforesaid.

4. TENDER:

Any tender of documents or money or giving of notice herein may be made or given either upon or to the party hereto or his solicitor, in accordance with the provisions of the Tarion Addendum, and money may be tendered by negotiable cheque certified by a Canadian Chartered Bank. Without limiting the generality of the foregoing, any notice required to be delivered pursuant to this Agreement to the Purchaser may either be delivered personally, be delivered by electronic transmission or be delivered by facsimile or prepaid mail addressed to the Purchaser's solicitor or the Purchaser at his last known address and in the case of the Vendor any notice required to be delivered pursuant to this Agreement, may either be delivered personally or be delivered by prepaid registered mail or facsimile to the Vendor at 245 Yorkland Blvd., Suite 100, Toronto, Ontario M2J 4W9. In the event that such notice is mailed as aforesaid, it shall be deemed to have been received by the party to whom it is addressed on the 3rd business day following the date of its mailing. In the event that such notice is delivered personally or by facsimile, it shall be deemed to have been received by the party to whom it is addressed on the day of such delivery. In the event of a mail stoppage or slow down, all notices shall be delivered of the foregoing, Provided further, that any tender of money or documents hereunder may be made upon the Vendor or the Purchaser or upon the solicitors acting on their behalf and money may be tendered by negotiable cheque certified by a Canadian Chartered Bank. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, provided following such assignment, the Vendor shall notify the Purchaser of such assignment.

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

- (a) The Purchaser shall be obliged to retain a lawyer, who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction, and shall authorize such lawyer to enter into an escrow closing agreement with the Vendor's solicitor on the latter's standard form (hereinafter referred to as the "Escrow Document Registration Agreement"), establishing the procedures and timing for completing this transaction and to be executed by the Purchaser's solicitor and returned to the Vendor's solicitor at least ten (10) days prior to the Closing Date;
- (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) The Purchaser expressly acknowledges and agrees that he or she will not be entitled to receive the Transfer/Deed to the Dwelling for registration until the balance of funds due on closing, in accordance with the statement of adjustments, are either remitted by certified cheque via personal delivery or by electronic funds transfer to the vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the Transfer/Deed for registration and in any event no later than 2:00 p.m. on the Closing Date.
- (d) Each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the Dwelling 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 (Ontario)) to the recipient party by overnight courier sent the day of closing or within 7 business days of closing, if same has been so requested by the recipient party.
- (e) 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, keys and/or funds to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement; and
 - (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, and specifically when the "completeness signatory" for the transfer/deed has been electronically "signed" by the Vendor's solicitor;

without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents, keys and/or funds, and without any requirement to have an independent witness evidencing the foregoing. 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. The Vendor shall have a one-time unilateral right to extend the Closing Date for one (1) Business Day (as defined in the Tarion Addendum) to avoid the necessity of tender where the Purchaser is not ready to close on the Closing Date and delayed closing compensation will not be payable for such period.

5. **ADJUSTMENTS:**

- (a) Unearned insurance premiums, taxes, mortgage interest, fuel, water rates, assessment rates and local improvements to be apportioned and allowed to the Closing Date. In the event realty taxes have not been individually broken down in respect of this Property and remain en bloc, then notwithstanding that such en bloc taxes may be outstanding and unpaid, the Purchaser covenants to complete this transaction and accept the Vendor's undertaking to pay realty taxes once individually assessed against this Property and agrees to pay on closing a deposit to be readjusted and to be applied on account of the Purchaser's portion of realty taxes applicable to this Property. Municipal realty tax re assessment and/or supplementary tax bills relating to the Dwelling constructed on the Property issued subsequent to the Closing Date shall be the sole responsibility of the Purchaser. The Vendor may require the Purchaser to accept or assume the cost of the insurance premium for the insurance policy arranged by the Vendor, the cost of which will be credited to the Vendor on closing. The Purchaser shall pay to the Vendor the amount of \$1,500.00 on the Closing Date 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, 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.

- (b) In the event the Vendor has contributed to, or made an undertaking to the Subdivider or to the municipality to contribute to, the cost of recycling bins, the Purchaser shall on Closing reimburse the Vendor as to the cost thereof.
- (c) The Purchaser is advised that Canada Post maybe imposing a fee with respect to the set up of Community mailboxes. The Purchaser shall pay to the Vendor on Closing with respect to the Canada Post Community Mailbox Setup Fee for the designated Community Mailboxes if charged to the Vendor by Canada Post.
- (d) The Purchaser shall pay to the Vendor on Closing the charge imposed upon the Vendor or its solicitors by the Law Society of Upper Canada upon registration of the Transfer/Deed of Land or Charge/Mortgage of Land or any other instrument.
- (e) The Purchaser shall pay to the Vendor, as an adjustment on Closing in addition to the Purchase Price, any increase after January 1, 2021 in any levy, payment, contribution, charge, fee or assessment, including without limitation, development charges, education development charges, public art contributions and/or impost charges required, assessed, charged or imposed as of that date by the Municipality, a regional municipality, a transit authority, a public or separate school board or any other authority having jurisdiction under the *Development Charges Act*, the *Education Act*, the *Planning Act* and any other existing or new legislation, bylaw and/or policy of a similar nature.
- (f) The Purchaser shall pay to the Vendor, as an adjustment on Closing in addition to the Purchase Price, any new or other levy, payment, contribution, charge, fee or assessment under the *Development Charges Act*, the *Education Act*, the *Planning Act* or any other existing or new legislation, bylaw and/or policy of a similar nature after January 1, 2021.

6. **HARMONIZED SALES TAX:**

- (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 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 (hereinafter referred to as the “**HST**”), and that the Vendor shall remit the HST to 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 federal and provincial new housing rebates applicable pursuant to the Excise Tax Act (Canada), as may be amended, (collectively, the “**Rebate**”) and further warrants and represents that the Purchaser is a natural person who is acquiring the 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 Unit 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 in connection with the Purchaser’s acquisition of the Real Property, save as may be 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 concomitantly releases all of the Purchaser’s claims or interests in and to the Rebate, to and in favour of the Vendor), and hereby irrevocably authorizes and directs CRA to pay or credit the Rebate directly to the Vendor. In addition, the Purchaser shall execute and deliver to the Vendor, forthwith upon the Vendor’s or Vendor’s solicitors request for same (and in any event on or before the Closing Date), all requisite documents and assurances that the Vendor or the Vendor’s solicitors may reasonably require in order to confirm the Purchaser’s entitlement to the Rebate and/or to enable the Vendor to obtain the benefit of the Rebate (by way of assignment or otherwise), including without limitation, the GST/HST New Housing Rebate Application for Houses Purchased from a Builder or other similar form as prescribed from time to time (the “**Rebate Form**”). 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, 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 to the Vendor (or the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor). As security for the payment of such amount, the Purchaser does hereby charge and pledge his interest in the Unit 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 Form 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; 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 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 ETA, as may be amended, and other applicable legislation 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 ETA. 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.

7. **PLANS:**

The Purchaser acknowledges that he has purchased the Dwelling on the basis of brochure plans which he has viewed and not from a model and it is understood that such brochure plans are for illustrative purposes only. The actual plans and specifications for the dwelling house being those contained in plans and drawings filed or to be filed to the municipality. The Purchaser acknowledges that the model homes, if any, are for display purposes only, and that same or all of the features contained therein may not be included in the Dwelling unless same is specifically provided for in any schedule forming part of this Agreement.

8. **REZONING:**

The Purchaser acknowledges receipt of notice from the Vendor that the Vendor and/or the Subdivider may apply for a re zoning with respect to blocks or lots not purchased hereunder as laid down by the plan of subdivision within which the Property is situate or with regard to the lands adjacent to or near the lands laid down by such plan of subdivision, and the Purchaser, the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re zoning. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Property and to assign the benefit of such covenant to the Vendor.

9. **ADDITIONAL PROVISIONS:**

This offer is to be read with all changes of gender or number required by the context and, when accepted, shall constitute a binding contract of Purchase and Sale, and time shall, in all respects, be of the essence. The deposit monies are expressly deemed to be deposit monies only, and not partial payments. Default in payment of any amount payable pursuant to this Agreement on the date or within the time specified, shall constitute substantial default hereunder, and the Vendor shall have the right to terminate this Agreement and forfeit all deposit monies in full. Without prejudice to the Vendor's rights as to forfeiture of deposit monies as aforesaid, and in addition thereto, the Vendor shall have the right to recover from the Purchaser all additional costs, losses and damages arising out of default on the part of the Purchaser pursuant to any provision contained in this Agreement, including interest thereon from the date of demand for payment at the rate of 20% per annum, calculated daily, not in advance, until paid. In the event this Agreement, in future, is amended in order to accelerate the closing of the transaction or to change or alter the construction specifications of the Dwelling by giving the Purchaser a credit or reduction against the Purchase Price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted herefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement of Purchase and Sale. The

Purchaser, if required by the Vendor, shall execute and deliver on closing one or more covenants incorporating the terms hereof. There is no representation, warranty, collateral Agreement or condition affecting this Agreement or the Property, or supported hereby, except as set forth herein in writing. The Purchaser and the Vendor acknowledge that this Agreement shall be deemed to be a contract under seal. All buildings and equipment comprising the Dwelling and the Property shall be and remain at the risk of the Vendor until Closing and pending completion of the sale, the Vendor will hold all insurance policies and the proceeds thereof for the Vendor's benefit alone. In the event of damage to the Dwelling, the Vendor may either in its sole discretion (a) repair the damage, finish the Dwelling and complete the sale and, if necessary, delay the Closing Date in the manner permitted in paragraph 5 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. Deed to be prepared at Vendor's expense, and shall be executed by the Purchaser if required by the Vendor and shall be registered forthwith on closing at the Purchaser's expense.

10. **MARGINAL NOTATIONS:**

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

11. **PLANNING ACT COMPLIANCE:**

This Agreement shall be conditional upon the Vendor, at its own expense, complying with the provisions of the Planning Act, R.S.O. 1990, Ch. P.13, and any amendments thereto.

12. **UNACCEPTED DEPOSIT PAYMENTS:**

Purchaser shall reimburse the Vendor on the closing date \$250.00 as an administration fee for each cheque returned to vendor for insufficient funds or for each payment otherwise not accepted by the Vendor's financial institution.

13. **PURCHASER'S CONSENT TO THE COLLECTION AND LIMITED USE OF PERSONAL INFORMATION:**

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

- (a) any companies or legal entities that are associated with, related to or affiliated with the Vendor ,(or with the Vendor's parent/holding company, and are developing one or more other communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;
- (b) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related to or affiliated with the Vendor, and who may send (by e mail or other means) promotional literature/brochures about new communities and/or related services to the Purchaser and/or members of the Purchaser's family;
- (c) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family, including without limitation, the Vendor's construction lender(s), the project monitor, the Vendor's designated construction lender(s), Tarion Warranty Corporation and/or any warranty bond provider required in connection with the development and/or construction financing of the Dwelling and/or the financing of the Purchaser's acquisition of the Dwelling from the Vendor;
- (d) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Dwelling, including without limitation, any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;

- (e) any trades/suppliers or sub trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Dwelling and the installation of any extras or upgrades ordered or requested by the Purchaser;
- (f) one or more providers of cable television, telephone, telecommunication, security alarm systems, hydro electricity, chilled water/hot water, gas and/or other similar or related services to the Property or any portion thereof, unless the Purchaser advises the Vendor in writing not to provide such personal information to an entity providing security alarm systems and services;
- (g) any relevant governmental authorities or agencies, including without limitation, the Land Titles Office in which title to the Dwelling is registered, the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);
- (h) Canada Revenue Agency, to whose attention the T 5 interest income tax information return and/or the NR4 non resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(1)(b)(ii) of The Income Tax Act R.S.C. 1985, as amended;
- (i) the Vendor's solicitors, to facilitate the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation; and
- (j) any person, where the Purchaser further consents to such disclosure or disclosures required by law.

14. **ANTI-SPAM LEGISLATION:**

In compliance with Canada's Anti-Spam Legislation, the Purchaser hereby consents to receiving electronic messages from the Vendor, restricted only to the purchase and construction of the home, as well as follow up communications seeking the Purchaser's input as to his/her experience with his/her new home. The Purchaser understands that his/her consent can be revoked at any time by notifying the Vendor. The Purchaser acknowledges having provided the consent set out on Schedule C.

15. If required by the Municipality, the Vendor covenants to obtain and register, prior to closing, a partial release of the Subdivision Agreement from the Municipality to the extent provided by the Municipality and in accordance with the Subdivision Agreement. Further if required by the Municipality, the Vendor further covenants to provide the Purchaser, prior to closing, with an occupancy permit pursuant to and subject to the Subdivision Agreement and as provided by the applicable governmental authority.

16. **AGREEMENT SUBORDINATE**

The Purchaser covenants and agrees that this Agreement is subordinate to and postponed to any mortgages arranged by the Vendor (or by the registered owner of the Property if not the same as the Vendor) and any advances thereunder from time to time, and to any easement, license or other agreement Property. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor in this regard and the Purchaser hereby irrevocably appoints the Vendor as the Purchaser's attorney to execute any consents or other documents required by the Vendor to give effect to this paragraph.

17. **CREDIT REPORT/FINANCIAL INFORMATION/MORTGAGE APPROVAL:**

The Purchaser hereby agrees with the terms set out and attached hereto as Schedule G.

18. **ELECTRONIC COMMERCE ACT**

Pursuant to subsection 3(1) and any other relevant provisions of the *Electronic Commerce Act* of Ontario, as amended (or any successor or similar legislation), the Purchaser and the Vendor expressly acknowledge and agree to the following in connection with this Agreement:

- (i) the Vendor's execution and delivery of this Agreement and any schedules, amendments and/or addendums thereto, and any and all documents ancillary thereto, including any documents required or desired in connection with the closing of this purchase and sale transaction (including without limitation, the Vendor's provision and delivery of any notices and/or documents that may be required to be in writing); and
- (ii) the Purchaser's execution and delivery of this Agreement and any schedules, amendments and/or addendums thereto, and any and all documents ancillary thereto, including any documents required or desired in connection with the closing of this purchase and sale transaction (including without limitation, the Purchaser's provision and delivery of any notices and/or documents that may be required to be in writing);

may be made or manifested in an electronic format, and may be executed by way of an electronic signature of any such documents (undertaken by or through a computer program, or by any other electronic means,

including without limitation, by or through DocuSign Inc.'s electronic signing platform, or by any other similar secure electronic application or platform), as expressly contemplated and permitted by the *Electronic Commerce Act 2000*, S.O. 2000, as amended, and as and when any such document(s) is/are executed by way of an electronic signature, same shall thereupon be deemed to be valid, binding and enforceable upon the party or parties so executing same electronically. For purposes of clarification, the terms "electronic signature" and "electronic" shall have the meanings respectively ascribed to such terms in the *Electronic Commerce Act 2000*, S.O. 2000, as amended. If and when either or both of the parties hereto executes this Agreement by or through DocuSign Inc.'s electronic signing platform (or by any other similar secure electronic application or platform), then such party or parties shall, upon the request of the other, be obliged to forthwith provide the other party hereto with a certificate of completion produced or issued by DocuSign Inc. (or any similar certificate issued by any other secure electronic platform) which confirms, verifies and/or validates the electronic signature of the party or parties so executing same electronically.

Notwithstanding anything hereinbefore provided to the contrary, it is expressly understood and agreed that the Purchaser shall nevertheless be obliged to provide and deliver to the Vendor and its solicitors at least one originally-signed HST New Housing Rebate Form (and not an electronically-signed version thereof, nor a photocopy, a telefaxed copy or a scanned/e-mailed copy thereof) in connection with the closing of this purchase and sale transaction.

A photocopy or a scanned and e-mailed copy of this executed Agreement may be relied upon (and correspondingly enforced) to the same extent as if it were an originally-executed version.

SCHEDULE "B"
SAFETY

The Schedule "B" forms parts of, and is to be read with the attached Agreement of Purchase and Sale.

The Purchaser acknowledges that the Dwelling to be erected upon the said Property is located in a construction site. The Purchaser agrees not to enter upon said Property without a) the builder's permission and b) without the appropriate head and footwear if such permission is received.

The Purchaser acknowledges that no children under the age of 16 shall be allowed on the said Property prior to closing.

Should the Purchaser enter upon the Property without proper permission and safety apparel, the Purchaser agrees to indemnify and save the Vendor harmless from the consequences of any actions or claims brought against the Vendor under the Occupational Health and Safety Act, and the Vendor will assume no responsibility for any actions or claims brought against the Purchaser under the Occupational Health and Safety Act.

The Purchaser shall indemnify and save the Vendor, its servants and agents harmless from any action, causes of action, claims or demands for, upon or by reason of any damage, loss or injury to person or property of the Purchaser, or any of his friends, relatives, workmen or agents who have entered on the Property or any part of the subdivision of which the Property forms a part whether with or without the authorization, express or implied, of the Vendor.

It is expressly understood and agreed that the Purchaser shall not arrange for any work, services and/or materials to be undertaken, installed, provided and/or delivered to the Property prior to the Closing Date without the prior written consent of the Vendor (the **"Purchaser's Work"**). In the event that the Purchaser undertakes any Purchaser's Work prior to the Closing Date without the Vendor's written consent, (i) the Purchaser shall pay to the Vendor upon demand the amount estimated by the Vendor as the Vendor's damages caused by the Purchaser's Work and the correction or rectification thereof, including without limitation, compensation for the time lost by the delay resulting from the Purchaser's Work and the correction or rectification thereof; and (ii) at the Vendor's option, the Vendor may, on written notice to the Purchaser declare this Agreement to be terminated. The Purchaser further acknowledges and agrees that any unauthorized Purchaser's Work may cause to be void, in whole or in part, the warranty provided by the Tarion Warranty Corporation.

SCHEDULE “C”

Purchaser’s Consent to Receive Promotional Electronic Messages

☐ I agree to receive promotional electronic messages from the Vendor and the Vendor’s affiliates and associates (the “Vendor Entities”).

The Vendor Entities require the Purchaser’s consent in order to send the Purchaser electronic messages regarding relevant real estate development and other product offerings of the Vendor Entities. By checking the box above, the Purchaser hereby consents to receiving promotional electronic messages from the Vendor Entities regarding the Vendor Entities’ real estate development and other product offerings. The Purchaser may withdraw this consent at any time by contacting the Vendor at the address set out in the Tarion Addendum, Attention: Privacy Officer.

DATED this ____ of _____ 20 ____.

Witness:

Purchaser:

Witness:

Purchaser:

SCHEDULE “D”

The Purchaser shall execute any and all acknowledgments and releases required by the relevant governmental authorities in accordance with the provisions of this Agreement.

NOTE: All references to Lots in this schedule are based on the numbering shown on the Site Plan attached as Schedule “S” to this Agreement.

The Purchaser is hereby notified of the following warning clauses and notice provisions:

1. Purchasers acknowledge and agree that if their lot is adjacent to or near a block laid down by the plan of subdivision reserved for the purposes of a future school, then such Purchasers are advised that a school may not be built for several years and may not be built at all. Such Purchasers are further advised that in the event that a school is not built on such block, then the developer reserves the right to develop such block with residential dwellings, in its sole and absolute discretion and Purchasers shall consent to any application in connection with such residential dwellings and shall not make any objection to same. This paragraph may be pleaded as a bar to any objection by the Purchaser and the Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Purchaser’s lot and to assign the benefit of such covenant to the developer.
2. Purchasers are hereby advised that the land use plan for the neighborhood in which their Lot is located may be subject to change and that for updated information, inquiries be made at the City’s Director of Planning.
3. Purchasers and/or tenants are advised that proper grading of all lots in conformity with the subdivision grading plans is a requirement of the subdivision agreement. Purchasers are required to and shall comply with all provisions of the subdivision agreement that deal with grading.
4. Purchasers are advised of the following:
 - (a) “The Purchaser has been directed to inquire at the City’s Director of Planning as to any applications or concepts for development of adjacent properties.

The Subdivider has not made any representation to the Purchaser concerning the zoning in effect of the development proposed for any lands adjacent to its development”
 - (b) The Purchaser’s Lot may be in close proximity to potential nuisances, noises and/or vibrations from sources identified in the Subdivision Agreement, including without limitation, roads, railways, or industry, and such proximity may interfere with the enjoyment of property. The affected lots and blocks will be specified at the time of the registration of the plan.
 - (c) With respect to any lots or blocks abutting publicly owned space, stormwater management areas or Environmentally Sensitive Policy Areas, permanent 1.2 metre high, paige wire fencing or an alternative marking system is required to be installed and maintained.
 - (d) Special fencing is being installed on walkway blocks and Purchasers are restricted from installing solid board or other like solid fencing along the common property line with the walkway block.
 - (e) Home/business mail delivery will be from a designated Community Mail Box.
 - (f) There is a planned transit route through the neighbourhood. The Purchaser is advised to visit www.grt.ca regarding Grand River Transit services.
 - (g) The Purchaser acknowledges being advised that their dwelling contains water pressure reduction devices and that such devices are not to be removed by the owner/occupant.
 - (h) The property may be subject to approved Design Guidelines for Priority Lots (if applicable). Purchasers of such Priority Lots are required to follow the guidelines for items such as future additions, major alterations and fencing.
5. Purchasers and/or tenants are required to comply with, and accordingly advised to review the information contained in, the approved Detailed Vegetation Plan and Tree Preservation/Enhancement Plan as defined in the subdivision agreement with the City of Kitchener.
6. Purchasers are advised that it may be necessary for the Vendor, in order to comply with grading requirements of the City, to enter upon the property following closing in order to complete or alter the grading of such property and that the conveyance to the purchaser reserves a license to the Vendor to enter upon the property from time to time in order to complete or alter any of the grades on the said property as may be required by the City. Purchasers are also advised that the proposed lot grading may require the use of retaining walls and/or sloping. Where retaining walls are constructed on the property being sold, Purchasers are hereby advised that such retaining walls are required to be maintained in good condition and repair which shall be the Purchasers’ responsibility. The Purchaser acknowledges that they have had the opportunity to review the Lot Grading Control Plan of the subdivision.
7. Purchasers are advised of the following:
 - (a) The Purchaser has been directed to inquire at the City of Kitchen’s Director of Planning as to any applications or concepts for development of Adjacent Property.

Schlegel Urban Developments Corp. has not made any representation to the Purchaser concerning the zoning in effect of the development proposed for any land adjacent to its development.

- (b) Purchasers are advised that their lot/block may be in close proximity to a source of noise as may be identified in the subdivision agreement in favour of the City of Kitchener, which may interfere with the enjoyment of the property.
- (c) Purchasers are advised that if the Vendor is required to obtain source water protection education and awareness information and have the same distributed to home buyers to educate them on the proper use and care of the infiltration galleries, and the proper storage and use of chemicals, fertilizers, and de-icing materials, the Vendor will provide the required information to the home buyers and each Purchaser covenants to accept same and to deliver a receipt to the Vendor in respect thereof.
- (d) Purchasers and tenants are advised for lots adjacent to Walkway Block 6 (Stage 14) that special fencing is being installed on the walkway blocks and that owners of said lot are restricted from installing solid board or other like solid fencing along the common property line with the walkway block.
- (e) Purchasers are advised as follows:
 - (i) Purchasers are advised that there is a planned transit route through the neighbourhood and the Purchaser acknowledges receipt of an information pamphlet or website address regarding Grand River Transit services;
 - (ii) Purchasers are advised that their Lot include the presence of water pressure reduction devices and such devices shall not be removed by the owner/occupant.
 - (iii) Purchasers are advised that their lots are subject to approved Designed Guidelines for Priority Lots and that Purchasers are required to follow the guidelines, for items such as future additions, major alterations and fencing.
 - (iv) Purchasers are advised that home/business mail delivery will be from a designated Community Mail Box; and
- (f) Purchasers acknowledge receiving a plan indicating the currently anticipated location of their designated Community Mail Box but which location is subject to change as determined by the Vendor.

SCHEDULE "G"

The Purchaser hereby consents to the Vendor and its designated or proposed construction lenders obtaining a consumer’s report containing credit and/or personal information for the purposes of this transaction at any time and from time to time. The Purchaser shall execute any form of consent required by the Vendor for the foregoing purpose as and when requested by the Vendor from time to time. The Purchaser further 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 evidence the Purchaser’s ability to pay the balance of the Purchase Price on the Closing Date, including without limitation, written confirmation of the Purchaser’s income, a copy of a mortgage approval letter, and evidence of the source of the 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 other mortgagee acceptable to the Vendor 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 or other evidence of an ability to close satisfactory to the Vendor and the Vendor’s construction lender, in their sole and absolute discretions. If the Purchaser fails to provide the financial and personal information or the mortgage approval or any of the information and signed documentation as aforesaid or if the Vendor or the Vendor’s construction lender is not satisfied as aforesaid, then the Purchaser shall be deemed to be in default under this Agreement. 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.

DATED this ____ of _____ 20 ____.

Witness:

Purchaser:

Witness:

Purchaser:

SCHEDULE “H” NOTICES

The Purchaser shall execute any and all acknowledgments and releases required by the relevant governmental authorities in accordance with the provisions of this Agreement.

NOTE: All references to Lots in this schedule are based on the numbering shown on the Site Plan attached as Schedule “S” to this Agreement.

1. Purchaser acknowledges that if, at any time after the closing date, the Purchaser(s) redo or replace any finished carpeting or flooring provided by the Vendor, and it becomes necessary at any time thereafter for the Vendor to effect repairs or replacements to the subfloors, the Vendor shall have no liability, responsibility or obligation whatsoever in respect of the cost of removal, replacement or reinstallation of Purchaser’s redone carpeting or flooring, regardless of whether this occurs during the Tarion warranty period, and the provisions of this paragraph may be pleaded as a complete bar and estoppel to any such claim.
2. The purchaser acknowledges that a rental water heater will be supplied. The purchaser appoints the builder as his/her agent for purposes of entering the supplier’s standard water heater rental agreement, if required. The rental agreement will take effect between the Purchaser and the supplier on the closing date. The Purchaser understands that rental information, including the supplier’s standard rental terms and conditions and the current monthly rental rates (which may change from time to time), will be provided either at or prior to the time of closing or with the first rental bill.
3. 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 Property shall be accepted and shall be maintained by the Purchaser, after closing, without any modification or alteration whatsoever and in good order and tidy appearance and any landscaping provided by the Vendor in connection therewith shall be maintained by the Purchaser in good order and condition.
4. The Purchaser acknowledges that side walk locations are not final and are subject to final determination by the Municipality. The Purchaser further acknowledges that maintenance and snow/ice clearing of adjoining sidewalks and paths are the responsibility of the Purchaser. The Purchaser shall indemnify and save the Vendor and the Subdivider harmless from any action, causes of action, claims or demands for, upon or by reason of any damage, loss or injury to person or property of the Purchaser, or any of his friends, relatives, workmen or agents arising from a side walk or path that has not been maintained or snow/ice cleared.
5. The Purchaser acknowledges that utility locations remain to be determined.
6. Purchasers hereby acknowledge and agree that a portion of the Property may be subject to an easement in favour of the adjacent property(ies) for the purposes of maintenance and repair of the adjacent property(ies) and related access purposes. Similarly, the Property may have the benefit of a reciprocal easement over a portion of the adjacent property for the purposes of maintenance and repair of the dwelling. In accordance with the terms of this Agreement, the Purchaser shall accept title to the Property subject to the aforesaid easement(s). Purchasers are advised that they are prohibited from installing or constructing any fence on any area at the rear of their property which is subject such easement(s) unless such area has been equipped with an unlocked gate that does not restrict use of the easement(s).
7. The Purchaser acknowledges having been advised that in circumstances where a “double car garage” is being provided, said garage will accommodate the parking of one vehicle, and may accommodate the parking of a second vehicle, depending upon the size of the respective vehicles.
8. Purchasers of any lots that adjoin a mixed use property are advised of, and such Purchasers acknowledge that, the rear/side portion of their lot may require a retaining wall to be built at the vendors cost due to the grades of the adjacent property. The construction of a retaining wall may make use of the depth of the purchaser’s lot currently expected to be several feet but which depth shall be determined by the Vendor in its discretion based on site conditions and the requirements of such retaining wall. All of the foregoing shall be accepted by the Purchasers. Purchasers of these lots acknowledge that they will be responsible for the ongoing repair and maintenance of the retaining wall after closing.
9. Purchasers are advised that the Dwelling being purchased does not include walk out deck. The Purchaser may request a walk out deck as an upgrade to the Dwelling at an additional cost to be determined by the Vendor in its sole and absolute discretion and the Vendor shall have the sole and absolute discretion as to whether to agree to such upgrade. In the exercise of such absolute discretion, the Vendor may consider, without limitation, the timing of the Purchaser’s request and the Municipally approved final grading and engineering plans applicable to the Property. The Purchaser is advised to satisfy itself as to the additional costs, grading and municipal or other governmental authority requirements of the Purchaser itself constructing a walk out deck following the closing of the transaction contemplated in this Agreement.

SCHEDULE "I"
PURCHASER CONDITION - LAWYER

This Offer is conditional until _____ upon the purchaser(s) solicitor approving the terms herein. This condition has been inserted for the sole benefit of the Purchaser and may be waived by it at any time prior the date noted above. Unless the Vendor is notified by the Purchaser in writing on or before such date that the purchaser(s) solicitor has not approved the terms herein, this condition shall be conclusively deemed to have been waived by the Purchaser and this Offer shall be considered firm and binding and the Purchaser's deposit shall be deposited within two business days.

SCHEDULE “J”
PURCHASER CONDITION - FINANCING

This Offer is conditional until _____ upon the purchaser(s) obtaining mortgage financing. This condition has been inserted for the sole benefit of the Purchaser and may be waived by it at any time prior the date noted above. Unless notification (in writing) is received by the Vendor by the date noted above advising of the Purchaser(s) inability to obtain financing, this condition shall be conclusively deemed to have been waived by the Purchaser and this Offer shall be considered firm and binding and the Purchaser’s deposit shall be deposited within two business days.

SCHEDULE “M”

RESTRICTIONS

The burden of each of the covenants hereinafter set out shall run with each and every Designated Lot on Plan: the Purchaser for itself, its successors and assigns covenants with the Vendor, its successors and assigns, that the Purchaser and the Purchaser's successors in title from time to time of all or any part or parts of the said lands, will observe and comply with the stipulations, restrictions, provisions and covenants set forth below, namely:

1. No changes to the exterior finishes of the Dwelling in any manner whatsoever are permitted, including, but not limited to, roofing shingles, vents to roof and walls, soffit, fascia, eavestroughing, brick, siding and trim, windows, exterior doors, stone veneer, decks, privacy screens and railing. In the event of maintenance to or replacement being required of any of the exterior finishes, the owner(s) undertake(s) not to use building material which are not the same or as close as possible to the as-constructed material with regard to colour, shape, size and texture.

Owners shall not change, maintain or replace any exterior finishes of the dwelling unless (i) and until they have co-ordinated such with all other owners of the building of which the dwelling forms part; so as to ensure uniform texture, shape and size to the finishes of the entire building at all times and (ii) such work is in compliance with the heritage design guidelines, by-laws or agreements with the municipality.
2. No tree on the subject lands shall be cut down, removed or destroyed without the prior written consent in writing of the Vendor (until all municipal securities have been released) and the Municipality.
3. No motor vehicle, including without limitation a boat, snowmobile, camper van, trailer (including trailer with living, sleeping or eating accommodation), or any other vehicle, other than an automobile or motorcycle, shall be parked, placed, located, kept or maintained upon the subject lands or any part thereof unless concealed in a wholly enclosed garage.
4. No repairs to any automobile or to any other vehicle or equipment shall be carried out on the Lands and no automobile or any other vehicle or equipment that is undergoing repairs of any nature or not capable of operation shall be parked or located upon the Lands or any part thereof, unless concealed in a wholly enclosed garage.
5. No air conditioning system may be installed on the property unless it complies with the Ministry of Environment's criteria and other applicable requirements as may be specified by the Municipality.
6. No signs, billboards, notices or advertising matter of any kind shall be placed upon the land or anything growing thereon, or upon or in any buildings, fences or other things erected or placed thereon other than one sign advertising the property for sale or rent or candidate signs during a municipal, provincial or federal election campaign period, not larger than three feet (3') by two feet (2') or other signs permitted in these restrictions.
7. No antennae, either television or radio transmitter or receiver, or other communications devices, shall be erected on any building, structure or lot as long as there is a commercial cable service available, except that satellite dishes may be installed provided that (1) the satellite dish shall not exceed 23" in diameter and (2) no satellite dishes are installed on the roof of the Dwelling.
8. No owner(s) shall, without the prior written authority of the municipality (which may be arbitrarily withheld), interfere with or alter any above or below ground drainage, catch basin or storm water management system or lead, or obstruct the natural flow of water, or obstruct the drainage as designed and engineered to a Designated Lot. No owner shall alter the grading or change the elevation or contour of a Designated Lot except in accordance with overall drainage patterns of the Designated Lot. No owner shall alter the overall drainage patterns of the subject lands' water drainage upon the Designated Lot or to and from adjoining lands, and each owner agrees to grant and shall not refuse to grant such easements as may be required from time to time by the owner of adjoining lands for drainage purposes.
9. No alteration of the grading or drainage pattern of the Lands or any part thereof shall be made and no construction or installation of any shrubbery, gates, pools, patios, sheds, fences or similar structures shall be made prior to the final grading approval of the municipality without the Developer's consent. No construction of any fences shall be permitted at any time. The Owner shall not fail to repair minor settlement of the Lands, or to care for sod, shrubs and other landscaping, if any, provided by the Developer, its contractors and subcontractors, or to replace any of it that dies from time to time.
10. All Designated Lots shall not be used for any commercial purposes or in any manner which:
 - (a) shall constitute a nuisance to, or otherwise unreasonably interfere with, the Owners or occupants of neighbouring Designated Lots;
 - (b) results in the storage of any hazardous or noxious chemicals or materials;
 - (c) substantially increases the security costs for guarding or maintaining the neighbouring Designated Lots; or

- (d) constitutes a breach or contravention of any applicable Zoning By-Law of the local and/or regional municipality, the Ontario Building Code or any Site Plan Agreement or Subdivision Agreement applicable to the Property.
11. Designated Lot owners will not, or allow others to, damage or in any way negatively affect, according to a reasonable person, any fencing located on their own Designated Lot. Designated Lot Owners will not allow such fencing to be brought into a state of disrepair, dilapidation, decay, deterioration, ruination or in any such similar state. Designated Lot Owners will not change, nor allow any change to, the design, style, colour, size, material, shape, or in any way change or allow any change to anything related to such fencing as it exists on the Closing Date of this agreement.
 12. Notwithstanding anything contained herein, the Transferor/Applicant shall have the right, by instrument in writing, from time to time to waive, alter or modify the covenants, provisions and restrictions contained herein with respect to all or any part of the Lands hereinbefore described, without notice to, or the consent of any transferee or owner.
 13. The owner shall not breach any provision contained in the Subdivision Agreement as it relates to the Lands, the buildings constructed thereon, or the grading with respect thereto.
 14. NO OWNER OF ANY PART OF THE SAID LANDS SHALL ALTER OR INTERFERE WITH THE GRADING AND DRAINAGE LEVELS AND PATTERNS AS APPROVED BY THE CITY WITH RESPECT TO THE SAID LANDS AND, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NO OWNER OF ANY PART OF THE SAID LANDS SHALL ALTER, FILL, FENCE, STOP UP OR ALLOW TO BECOME CLOGGED OR FALL INTO A STATE OF DISREPAIR, ANY REAR OR SIDE YARD DRAINAGE DEPRESSION OR SWALE, CATCH BASIN OR OTHER DRAINAGE CHANNEL, FACILITY OR INSTALLATION, AS SUCH ALTERATION OR OTHER ACTION AS STATED ABOVE MAY CAUSE A FAILURE OF THE DRAINAGE SYSTEM IN THE AREA WHICH WILL RESULT IN CIVIL LIABILITY. THE OWNER HEREBY AGREES TO INDEMNIFY AND SAVE THE CITY HARMLESS FROM ALL ACTIONS, CAUSES OF ACTION, SUITS, CLAIMS AND DEMANDS WHATSOEVER WHICH MAY ARISE DIRECTLY OR INDIRECTLY, BY REASON OF SUCH ALTERATION OR OTHER ACTION AS STATED ABOVE.
 15. THE OWNERS OF THE SAID LANDS WILL BE RESPONSIBLE FOR THE MAINTENANCE AND REPAIR OF ANY RETAINING WALL, IN PERPETUITY OR FENCE, WHETHER WHOLLY OR PARTLY LOCATED ON THE SAID LANDS. THE OWNER IS TO FURTHER HOLD THE CITY AND/OR ANY OTHER GOVERNMENTAL AGENCY HARMLESS FROM ANY CLAIMS, SUITS, ACTION, OR DEMANDS WHATSOEVER WHICH MAY ARISE FROM THE CONSTRUCTION OF ANY RETAINING WALL OR FENCE ON THE SAID LANDS, OR THE REPAIR OR LACK OF MAINTENANCE OF SUCH.
 16. NO OWNER OF ANY PART OF THE SAID LANDS SHALL CONSTRUCT, WIDEN, REMOVE OR ALTER ANY CURB CUT WITHIN THE ROAD ALLOWANCE OF A CITY HIGHWAY, OR CAUSE ANY SUCH WORK TO BE DONE EXCEPT WITH THE APPROVAL OF THE CITY. IN ADDITION, NO OWNER SHALL OBSTRUCT OR ENCUMBER ANY HIGHWAY IN THE CITY OF KITCHENER. OBSTRUCTIONS AND ENCUMBRANCES SHALL INCLUDE, BUT NOT BE LIMITED TO THE CONSTRUCTION, PLACEMENT OR MAINTENANCE OF POSTS, FENCES, TREES, HEDGES, LANDSCAPING, AND WOODEN OR CONCRETE DRIVEWAY 'CURBS'. ALL OBSTRUCTIONS OR ENCUMBRANCES SHALL BE REMOVED BY THE OWNER UPON RECEIPT OF NOTIFICATION FROM THE CITY OF KITCHENER. IF THE REQUEST FOR REMOVAL IS NOT COMPLIED WITHIN THE SPECIFIED TIME, THE GENERAL MANAGER OF COMMUNITY INFRASTRUCTURE AND ENVIRONMENTAL SERVICES MAY CAUSE THE SAME TO BE REMOVED, AND THE OWNER SHALL BE LIABLE TO THE CITY FOR ALL COSTS INCURRED IN THE REMOVAL OF THE OBSTRUCTION. THE CITY MAY RECOVER ALL EXPENSES ON THE TAX ROLL IN THE SAME MANNER AS MUNICIPAL TAXES.
 17. Each of these covenants and restrictions shall be deemed independent and severable in whole or in part and the invalidity or unenforceability of any one covenant or restriction or any portion thereof shall not affect the validity or enforceability of any other covenant or restriction or remaining part thereof.

The burden of these covenants and restrictions shall run with all Designated Lots and the benefit of these covenants and restrictions may be annexed to and run with each and every Designated Lot and/or Block on located on Plan 58M- or Plan 58M- , registered in the name of the Applicant on the date of registration of this Application. All owners, their respective successors and assigns, in title, from time to time of the Designated Lots, shall keep, observe, perform and comply with the stipulations, provisions and covenants set forth herein. These covenants and restrictions shall expire 99 years following the date that they are registered on title

[INSERT TARION ADDENDUM]

SCHEDULE B TO ADDENDUM
ADJUSTMENT TO PURCHASE PRICE OR BALANCE DUE ON CLOSING
(replaces both pages 11 and 12 of Addendum)

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.

	<u>DESCRIPTION</u>	<u>SECTION IN SCHEDULE “X” OF THE PURCHASE AGREEMENT</u>	<u>AMOUNT</u>
1	Security for any damages to or unauthorized changes to grading, driveway and/or any amounts the Purchaser may owe Vendor and/or for any breach of Purchaser’s obligations and any damages, costs and expenses the Vendor may incur as a result	5(a)	\$1,500 plus any applicable taxes
2	Cheque returned NSF	12	\$250 plus any applicable taxes

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

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

	<u>DESCRIPTION</u>	<u>SECTION IN SCHEDULE “B” OF THE PURCHASE AGREEMENT</u>
1	Purchaser indemnity for entry	Paragraphs 4 and 5
2	Correcting certain Purchaser actions	Paragraph 6

	<u>DESCRIPTION</u>	<u>SECTION IN SCHEDULE “X” OF THE PURCHASE AGREEMENT</u>
1	Correcting certain Purchaser actions	2(e); 2(n)
2	Rental contract payments for heater and tank	2(f)
3	Hydro, water and other services amounts	2(f)
4	Water meter, water service, installation of water meter, cost of hydro installation, connection fees, etc.	2(f)
5	Enrolment fee paid for Dwelling under the ONHWPA	2(g)
6	Home Construction Regulatory Authority regulatory oversight fee	2(g)
7	Upgrades and/or extras and/or changes	2(j)
8	Chattels and taxes thereon	2(r)
9	Readjustments	2(s)
10	Expenses incurred by Vendor arising from Purchaser breach and interest on amounts	2(s)
11	Walkout basement, walkout deck, etc.	2(x)
12	Insurance premiums	5(a)
13	Mortgage interest	5(a)
14	Fuel	5(a)
15	Water Rates	5(a)
16	Assessment Rates	5(a)
17	Local improvements	5(a)
18	Realty Taxes	5(a)
19	Recycling bins	5(b)
20	Community mailboxes	5(c)
21	LSUC charge imposed upon the Vendor or its solicitor upon registration of Transfer and/or Charge and/or any other instrument	5(d)
22	Increase in levies/charges, etc.	5(e)
23	New levies/charges, etc.	5(f)
24	HST Rebate	6(a)
25	HST on adjustments, extras, upgrades, changes, etc. and reduction in quantum of HST Rebate	6(b)
26	Damages arising out of Purchaser’s default, and interest	9

**APPENDIX TO ADDENDUM
TO AGREEMENT OF PURCHASE AND SALE
EARLY TERMINATION CONDITIONS**

CONDITIONS PERMITTED IN PARAGRAPH 1 (b) OF SCHEDULE "A" TO THE TARION ADDENDUM

1. **Description of Early Termination Condition:**

This Agreement is conditional upon the Vendor being satisfied, in its sole and absolute discretion, with the credit worthiness of the Purchaser. The Vendor shall have sixty (60) days from the date of acceptance of this Agreement by the Vendor to satisfy itself with respect to such credit worthiness. The Purchaser covenants and agrees to provide all requisite information and materials including proof respecting income and source of funds or evidence of a satisfactory mortgage approval signed by a lending institution or other mortgagee acceptable to the Vendor, 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, as the Vendor may require to determine the Purchaser's credit worthiness.

The date by which this Condition is to be satisfied is the 60th day following the date of acceptance of this Agreement.

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:

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

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

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

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

2. Notice Period for a Delay of Closing

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

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

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

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

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

3. Purchaser's Termination Period

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

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

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

Acknowledged this ____ day of _____, 20____.

VENDOR: _____

PURCHASER: _____

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

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

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

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

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

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

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.]

**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.]