

AGREEMENT OF PURCHASE AND SALE – NAVA OAKVILLE

The undersigned purchaser hereby agrees to and with the undersigned vendor to purchase the property (the "Property") described below on the following terms:			
Purchaser:		Date of Birth (DD/MM/YY):	
Purchaser:		Date of Birth (DD/MM/YY):	
Purchaser:		Date of Birth (DD/MM/YY):	
Purchaser:		Date of Birth (DD/MM/YY):	
Vendor: CARAT HOLDINGS INC.		Project / Phase: NAVA Oakville	
Vendor's Agent: HARBOUR MARKETING		Site Staff:	
Model Type:	Model Name:	SQ,FT:	Elevation:
Site Plan Lot #:	Block:		
Municipal Address:		Municipality: Regional Municipality of Halton	
Purchase Price:			Dollars: \$
Date:	1 st Deposit:	Date:	7 th Deposit:
Date:	2 nd Deposit:	Date:	8 th Deposit:
Date:	3 rd Deposit:	Date:	9 th Deposit:
Date:	4 th Deposit:	Date:	10 th Deposit:
Date:	5 th Deposit:	Date:	11 th Deposit:
Date:	6 th Deposit:	Date:	12 th Deposit:
Balance Due on Closing (subject to adjustments on closing):			Dollars:
THE ATTACHED AND NOTED SCHEDULES FORM PART OF THIS AGREEMENT OF PURCHASE AND SALE:			
A A1 B1 B2 B3 B4 B5 C D E H J P R W X X1 Tarion Critical Dates Tarion B Addendum			
Unless otherwise specified in this Agreement, it is understood that all brokerages/sales representatives involved in this transaction are working for the Vendor.			
Date of Offer:	Day:	Month:	Year:
Irrevocable Date:	Day: N/A	Month: N/A	Year: N/A
Closing Date:	Day:	Month:	Year:
SUBJECT TO THE EXTENSION PROVISIONS (Tarion Addendum Statement of Critical Dates) INCLUDED IN THIS AGREEMENT OF PURCHASE AND SALE			
ORAL REPRESENTATIONS DO NOT FORM PART OF THIS AGREEMENT OF PURCHASE AND SALE			
In witness whereof I/We have set my hand and seal in the presence of:			
Witness:		Purchaser:	
Witness:		Purchaser:	
Purchaser's Address:		Email:	
Purchaser's Telephone:		Business:	Cell:
The Undersigned hereby accepts the Offer and its terms and covenants, promises and agrees to and with the above-named purchaser(s) duly to carry out the same on the terms and conditions above-mentioned and hereby accepts the said deposit.			
Accepted this day:			
Vendor: CARAT HOLDINGS INC.		Per:	
VENDOR'S SOLICITOR:		PURCHASER'S SOLICITOR:	
DAVID CHONG PROFESSIONAL CORPORATION Barrister & Solicitor 1370 Don Mills Road, Suite 202, TORONTO, Ontario M3B 3N7 Tel: 416-510-2233 - Fax: 416-510-2234 Email: David@DavidChong.ca (Attn: David Chong)		Attn: Phone: Fax:	
CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties and forms a binding agreement.			
Accepted this Day			
Accepted by: (Circle Applicable Party)	VENDOR	PURCHASER(S)	
Signature(s) of Accepting Party:			

SCHEDULE A – STANDARD FEATURES AND FINISHES

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

Purchaser:

Purchaser:

Additional Purchasers:

Vendor: CARAT HOLDINGS INC.

Model Type:

Model Name:

SQ.FT:

Elevation:

Site Plan Lot #

Block #

Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.



FEATURES & FINISHES FREEHOLD SINGLES

PREMIUM EXTERIORS

1. Architecturally Controlled - all exterior colors, Elevations, Materials are architecturally controlled and coordinated.
2. Architecturally designed elevations with stucco, stone, clay brick, stone accents, stucco and other accent materials as per model type (actual detailing may vary from Artist's concept and subject to grade conditions).
3. Maintenance free aluminum soffit, fascia, eavestrough and downspouts.
4. Metal railing as per model type and if grading permits.
5. Double-glazed windows throughout, installed with vapor barrier and fully caulked windows to be PVC. All vinyl casement windows on side and rear elevations. Lower-level windows to be vinyl sliders, where applicable. All operable windows are complete with screens, excluding French/Garden doors. All windows and exterior door frames as per Vendor's selections.
6. Fiberglass insulated front entry door with sidelight, as per elevation.
7. Insulated door from house to garage, if grade permits, with safety door closer, as per model type.
8. 3pc bathroom rough-in in basement included in unfinished area.
9. Sectional roll-up garage door(s) as per model type.
10. Two (2) exterior hose bibs (one in garage and one at rear).
11. Black exterior coach lamp(s) in front elevation, including light at rear door(s), as per model type.
12. Concrete precast slab walkways at front and at rear, where applicable.
13. Paved driveway. Vendor will provide base coat, as well as second coat on driveway apron, the cost is included in the Purchase price. The Purchaser shall pay \$2,000.00 (plus HST) as an adjustment on closing which is non-refundable for the second coat of asphalt for single car garage and \$2,500 (plus HST) for a double garage. The Vendor will not be responsible for repairing tire marks after the second coat. Purchaser acknowledges and agrees that the second coat may not be completed for up to, but no later than, thirty-six (36) months after Closing Date.
14. Fully sodded lot, except paved areas (common side yard 6' or less may be finished with granular material).
15. Priority and corner lots have special treatments in accordance with architectural control provisions and Purchaser accepts the same.
16. Municipal address plaque provided.

CONSTRUCTION

17. 9' basement height, less in areas with ductwork.
18. 10' ceiling height on the first floor.
19. 9' ceiling height on the second level.
20. Garage Walls to be drywalled, taped and primed.
21. 2'x6' exterior walls.

HEATING AND INSULATION

22. Forced air High-Efficiency heating and ventilation system vented to exterior. Includes Humidifier and Media Filter.
23. Hot water tank is a gas rental unit, direct vented or power vented to the exterior.
24. Gas BBQ rough-in line also included the rear area off kitchen.
25. Thermostat centrally located.
26. Insulation to exterior wall R22, attic space R50 and R12 on lower-level walls within 14" above ground.
27. Spray foam insulation to R31 garage ceiling below livable areas.

INTERIOR TRIM

28. Main entry/ front door height is 8' or as per elevations.

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29. Upper-level interior door heights to be 6'8",
30. 10 ft floors to have 8 ft interior doors as per plan.
31. Transitional 3-inch Backband casing throughout all swing doors and windows all finished areas with 7 ¼" baseboard throughout, painted white.
32. Exterior Black Grip set with Smart lock on main entry door.
33. All interior doors in finished areas have Satin Nickel finish levers, as per model type.
34. Two panel interior doors throughout finished areas excluding sliding closet doors, from Vendor's samples.

STAIRS AND RAILING

35. Stained finish oak stairs for entry level to second floor to compliment standard Vendors Hardwood selections, Oak treads with white painted risers and stringers.
36. Interior railing to be stained finish 3 "oak handrail on main staircase, as per model type. From Vendors standard Samples.
37. 1- ¾" stained finish oak pickets on main staircase, as per model type. From Vendors Standard Samples.

FLOORING

38. Engineered wood floor joists. With ¾ subfloor sheathing Glued and screwed.
39. Main floor and upper hallway includes 4 inch Oak engineered, stained sculpted Hardwood (from builders standard Samples) in non-tiled areas.
40. 12" x 24" ceramic floor tile in all washrooms, kitchen and foyer, as per plan from Vendor's standard selection.
41. 40 oz broadloom on all levels excluding tiled and hardwood areas.

KITCHEN

42. Purchaser's choice of cabinets from Vendor's standard samples.
43. Kitchen Cabinets to include extended stacked uppers and moldings to ceiling or bulkhead. with Breakfast bar and island, as per model type.
44. Dishwasher space provided with rough-in wiring and drains, as per plan (no cabinet supplied).
45. Purchaser's choice of Granite or Quartz countertop from Vendor's samples.
46. Undermount double bowl stainless steel sink with single lever faucet.
47. Stainless steel kitchen exhaust fan with six (6) inch duct vented to exterior.
48. Shut off valve to kitchen sink and waterline for fridge.

BATH

49. Purchaser's choice of cabinets and Granite or Quartz countertops, excluding powder room, from Vendor's selection.
50. Pedestal sink in the powder room, as per plan.
51. Single lever polished chrome faucets with pop-up drains in all bathroom and powder room sinks.
52. Wall for tub/shower enclosure(s)/ separate shower stalls, including the ceiling, to have 12x24 tile from Vendor's standard selections.
53. Frameless Glass Showers in all principal ensuites.
54. Freestanding tubs as per plans.
55. Shower floor to have 2" x 2" tile as per Vendor samples.
56. Mirrors in all bathrooms(s) and powder room.
57. Privacy locks on all bathrooms and powder room doors.
58. Pressure balance valve to all shower stalls and tub/showers as per plan.
59. Shut-off valves for all bathroom and powder room sinks.
60. Exhaust fans vented to the exterior in all bathrooms and powder room.
61. Water resistant cement board on separate shower stall walls.

LAUNDRY

62. Heavy duty electrical outlet and exterior vent for future dryer. Electrical outlet for future washer.
63. Laundry area with tub and connections for water and drain for washing machine, as per model type and plan. Upper laundry room to have floor drain.

PAINTING

64. Premium quality low VOC latex paint on Interior walls, in finished areas from Vendor's standard selection.
65. Interior trims and doors to be painted white.
66. Smooth ceilings throughout 1st and 2nd floors.
67. All bathrooms will have smooth ceilings.

ELECTRICAL

68. All wiring in accordance with Ontario Hydro standards.
69. 200 Amp service with circuit breaker panel to utility authority standard.
70. Decora switches and plugs in white color, LED Bulbs throughout.
71. One electrical outlet under electrical panel if located in unfinished area.
72. Weatherproof GFI exterior electrical outlet located at the front porch and at the rear with interior switch.
73. One outlet in the garage for each parking space. One ceiling outlet in the garage door for future garage door opener.
74. Electric Vehicle Charging rough-in to Garage.
75. Upgraded Ceiling mounted light fixtures where applicable, as per plan.
76. 10 interior LED Pot lights included (Purchaser to choose location at Color Selections Appointment).
77. 4 Exterior LED Pot lights included (location determined by Builder).
78. Exterior Seasonal Plug in Soffit, switched at front door.

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- 79. Electrical outlet(s) in bathroom(s) and powder room include ground fault interrupter.
- 80. Water resistant light fixtures in all shower stalls.
- 81. Electrical outlet(s) for future small appliances beside vanities and pedestal sink include ground interrupter, as per plan.
- 82. Electric door chime at front door.
- 83. Smoke Detector(s) installed as per Ontario Building Code.
- 84. Carbon Monoxide Detector on all levels where a finished bedroom is located.
- 85. Electrical copper wiring.
- 86. Heavy duty receptacle for future stove and dedicated electrical for future fridge.
- 87. Split receptacle(s) at counter level for future small appliances.
- 88. Pre-wire for Cat 6 outlet in kitchen, family room and master bedroom.
- 89. Pre-wire, smart doorbell, soffit camera in front of house.
- 90. 2-inch conduit to attic for future wiring from electrical panel.
- 91. Purchaser to pay as an adjustment on closing a fee in the amount of \$1,500 (plus HST) for hydro installation and connection.

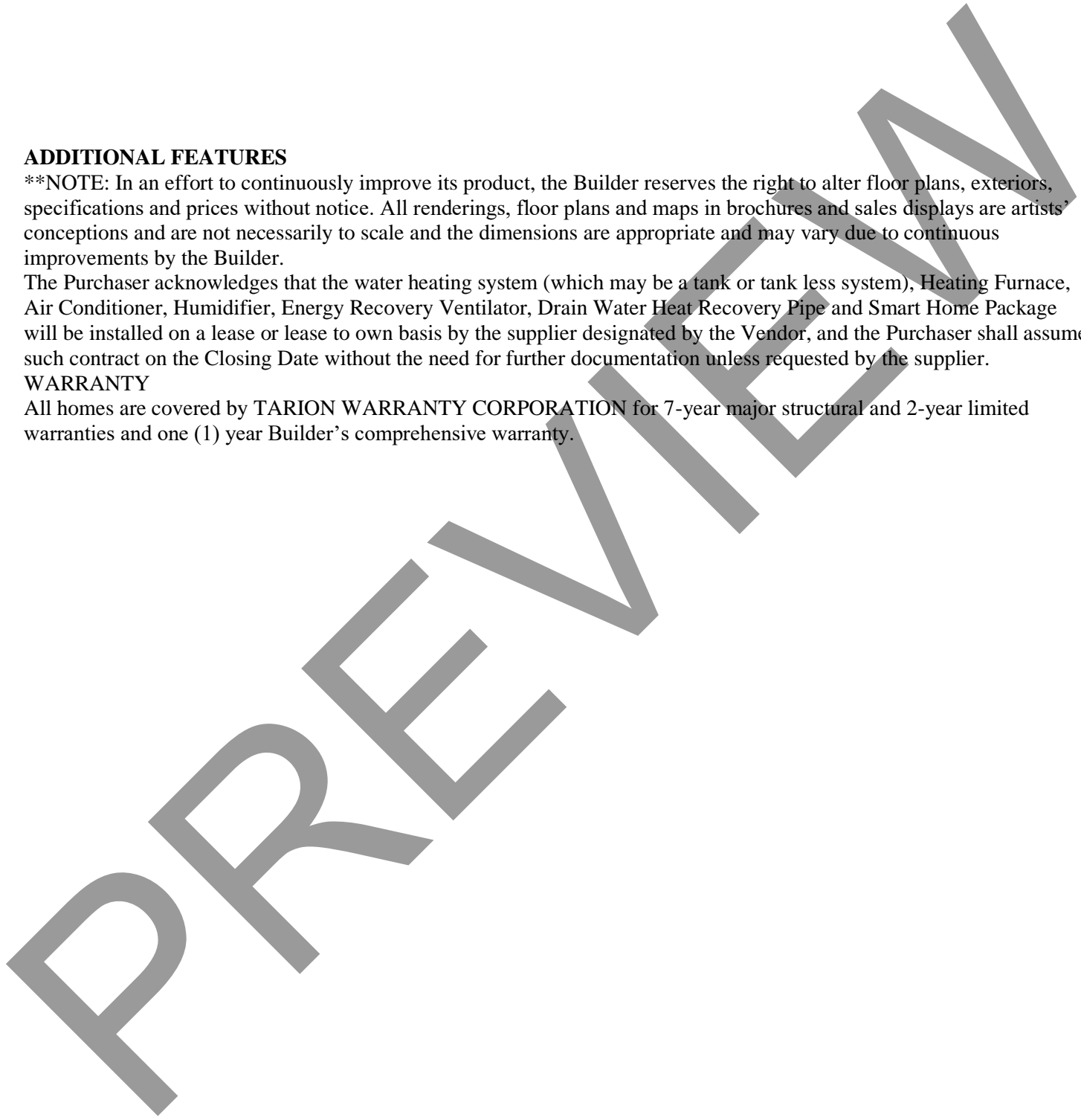
ADDITIONAL FEATURES

****NOTE:** In an effort to continuously improve its product, the Builder reserves the right to alter floor plans, exteriors, specifications and prices without notice. All renderings, floor plans and maps in brochures and sales displays are artists' conceptions and are not necessarily to scale and the dimensions are appropriate and may vary due to continuous improvements by the Builder.

The Purchaser acknowledges that the water heating system (which may be a tank or tank less system), Heating Furnace, Air Conditioner, Humidifier, Energy Recovery Ventilator, Drain Water Heat Recovery Pipe and Smart Home Package will be installed on a lease or lease to own basis by the supplier designated by the Vendor, and the Purchaser shall assume such contract on the Closing Date without the need for further documentation unless requested by the supplier.

WARRANTY

All homes are covered by TARION WARRANTY CORPORATION for 7-year major structural and 2-year limited warranties and one (1) year Builder's comprehensive warranty.



*Specifications are subject to change without notice. Vendor may substitute materials for those shown in the Plans and Specifications, provided such materials in the sole opinion of the Vendor's consultant are of at least comparable quality. All elevations subject to the provisions contained in Schedule 'A' to this agreement regarding color selections and construction specifications, the above are standard features for the dwelling type being purchased. All dimensions stated herein are nominal and approximate only, including ceiling heights. © Digreen Homes 2024

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SCHEDULE A1 – INCLUSIONS

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

Purchaser:	Purchaser:
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Additional Purchasers:

Vendor: CARAT HOLDINGS INC.

Model Type:	Model Name:	SQ.FT:	Elevation:
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Site Plan Lot #	Block #
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VENDOR AGREES TO INCLUDE THE FOLLOWING ITEMS AS PART OF THE AGREEMENT

Specifications are subject to change without notice. Vendor may substitute materials for those shown in the Plans and Specifications, provided such materials in the sole opinion of the Vendor's consultant are of at least comparable quality. Displays, marketing materials and Schedule "B" s may include finishes that are upgrades and are not included in the purchase price. These upgrades may be offered at extra cost at time of color selection or may not be made available. Where brand names are specified, the Vendor, in its sole discretion, may substitute with similar product of at least equal quality from another manufacturer. Color, texture, appearance, etc. of features and finishes installed in the house may vary from Vendor's samples because of normal manufacturing and installation processes. Appliance locations shown on Schedule "B" s may vary. All dimensions stated herein are nominal and approximate only, including ceiling heights. Presentation Centre display furnishings and decorations are not included.

ADDITIONAL OPTIONS/EXTRAS AND/OR PREMIUMS THAT HAVE BEEN ADDED TO THE PURCHASE PRICE:

Purchaser agrees and acknowledges that this is a firm and binding contract.

Vendor Initials Purchaser Initials

SCHEDULE B1 – SKETCH

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

Purchaser:

Purchaser:

Additional Purchasers:

Vendor: CARAT HOLDINGS INC.

Model Type:

Model Name:

SQ,FT:

Elevation:

Site Plan Lot #

Block #

Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.

PREVIEW

Vendor Initials

Purchaser Initials

SCHEDULE B2 – FLOORPLANS

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

Purchaser:

Purchaser:

Additional Purchasers:

Vendor: CARAT HOLDINGS INC.

Model Type:

Model Name:

SQ.FT:

Elevation:

Site Plan Lot #

Block #

Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.

PREVIEW

Vendor Initials

Purchaser Initials

SCHEDULE B3 – FLOORPLANS

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

Purchaser:

Purchaser:

Additional Purchasers:

Vendor: CARAT HOLDINGS INC.

Model Type:

Model Name:

SQ.FT:

Elevation:

Site Plan Lot #

Block #

Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.

PREVIEW

Vendor Initials

Purchaser Initials

SCHEDULE B4 – FLOORPLANS

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

Purchaser:

Purchaser:

Additional Purchasers:

Vendor: CARAT HOLDINGS INC.

Model Type:

Model Name:

SQ.FT:

Elevation:

Site Plan Lot #

Block #

Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.

PREVIEW

Vendor Initials

Purchaser Initials

SCHEDULE B5 – FLOORPLANS

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

Purchaser:

Purchaser:

Additional Purchasers:

Vendor: CARAT HOLDINGS INC.

Model Type:

Model Name:

SQ.FT:

Elevation:

Site Plan Lot #

Block #

Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.

PREVIEW

Vendor Initials

Purchaser Initials

SCHEDULE C – SITE PLAN

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

Purchaser:	Purchaser:
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Additional Purchasers:

Vendor: CARAT HOLDINGS INC.

Model Type:	Model Name:	SQ.FT.:	Elevation:
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Site Plan Lot #	Block #
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Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.



PRE

Vendor Initials

Purchaser Initials

SCHEDULE D – CONDITIONS

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

Purchaser:		Purchaser:	
Additional Purchasers:			
Vendor: CARAT HOLDINGS INC.			
Model Type:	Model Name:	SQ,FT:	Elevation:
Site Plan Lot #	Block #		
Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.			

This Agreement is conditional in favor of the Vendor upon:

- i) Receipt by the Vendor of confirmation that sales of homes in this Freehold Project have exceeded 75% by June 30th, 2025;

And

- ii) Receipt by the Vendor of confirmation that financing for the Freehold Project on terms satisfactory to the Vendor has been arranged by June 30th, 2025

Vendor Initials

Purchaser Initials

PREVIEW

SCHEDULE E – VENDOR’S CLOSING STATEMENTS SCHEDULE

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

Purchaser:	Purchaser:		
Additional Purchasers:			
Vendor: CARAT HOLDINGS INC.			
Model Type:	Model Name:	SQ.FT:	Elevation:
Site Plan Lot #	Block #		
Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist’s conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.			

IMPORTANT NOTE TO PURCHASER

YOU SHOULD RETAIN THIS SCHEDULE IN YOUR RECORDS

NO FURTHER UNDERTAKINGS, DIRECTIONS OR DOCUMENT PROVISIONS CONTAINED IN THIS SCHEDULE WILL BE DELIVERED ON CLOSING

The only additional documents to be delivered by or on behalf of the Vendor on Closing will be the closing statement of adjustments, a messaged Electronic Transfer and, the Vendor's solicitor's undertaking to discharge any existing mortgage from the title to the Property.

1. By signature of the Agreement of Purchase and Sale to which this Schedule is attached, the Vendor represents and warrants to the Purchaser as of the time the Vendor's solicitor releases the Transfer for registration on Closing that:
 - (a) The Vendor is not and will not be a non-resident of Canada within the meaning of the *Income Tax Act, Canada*;
 - (b) No person who owns or has any interest in any share or shares of the Vendor is or has been or will be entitled on account of such ownership or interest to occupy any portion of the property and as a result no spouse of any officer, director, shareholder, or employee of the Vendor has any rights of possession with respect to the property;
 - (c) To the best of its knowledge and belief the Vendor has and will have complied with all municipal agreements and restrictive covenants registered on title to the property
 - (d) No urea formaldehyde insulation has been or will be used in any building situate on the property; and
 - (e) All subtrades, labourers and potential lien claimants have been and will be paid in full and that the Vendor indemnifies and saves harmless the Purchaser from any claims or costs incurred by the Purchaser as a result of any mechanics' liens/construction liens registered on the title to the property and arising on account of work or materials supplied by or on behalf of the Vendor prior to Closing.

2. The Vendor:
 - (a) Authorizes and directs the Purchaser to pay all monies due to the Vendor in this transaction to the Vendor's solicitor as named elsewhere in this Agreement, or as they may further direct, and this shall be the Purchaser's good and sufficient authority for so doing;
 - (b) Authorizes the Vendor's solicitor as named elsewhere in this Agreement to register/release electronically on the Vendor's behalf the Transfer of the property to the Purchaser or as directed by the Purchaser in writing as well as any other document(s) required to complete the transaction contemplated by the Agreement to which this is a Schedule and to insert any information that may be required in such electronic documents that may not be available to the said solicitor at the time of execution of this Appendix;
 - (c) Acknowledges the effect of the electronic documents described in this Appendix has been fully explained to it and it understands that it will be a party to and be bound by the terms and provisions of such electronic documents to the same extent as if it had signed the same;
 - (d) Authorizes the Vendor's solicitor as named elsewhere in this Agreement to make any minor, non -material alterations that may be required by the Land Registry/Titles Office to effect certification of the electronic documents described in this Appendix;
 - (e) Bargains, sells, assigns, and transfers to the Purchaser (as of Closing) the Vendor's right, title, and interest in and to any chattels, fixtures and additional items included in the Agreement to which this is a Schedule free from all encumbrances unless otherwise stated in such Agreement;
 - (f) Undertakes to pay all realty taxes in accordance with the closing Statement of Adjustments, and to readjust municipal taxes and any other items as shown on the said Statement of Adjustments, if necessary. Without limiting the

Vendor Initials Purchaser Initials

generality of the foregoing, this means that if there is any item for which the Vendor owes money to the Purchaser which is not included on the Statement of Adjustments or if there are any addition or other arithmetical errors thereon, the Vendor agrees the fact of closing does not in any way affect the obligation of the Vendor to make payment of the monies properly owing to the Purchaser forthwith upon request;

- (g) Agrees to deliver or release the property's keys on closing, subject to any prior occupancy;
- (h) Agrees to pay all the property's utility accounts including electricity, water, and gas charges for which the Vendor is responsible, other than those for which the Purchaser is responsible to the closing date (or up to the date the Purchaser is allowed or obligated to occupy the property, if earlier).

3. **All of the foregoing survives closing**

PREVIEW

Vendor Initials

Purchaser Initials

SCHEDULE H – HARMONIZED SALES TAX

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

Purchaser:		Purchaser:	
Additional Purchasers:			
Vendor: CARAT HOLDINGS INC.			
Model Type:	Model Name:	SQ.FT:	Elevation:
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Notwithstanding anything to the contrary contained in the Agreement of Purchase and Sale to which this Schedule is attached (the "Agreement"), the parties hereby expressly acknowledge and agree to the following:

1. In this Schedule, unless otherwise set out, capitalized terms shall have the meaning given to them in the Agreement.
2. The Purchase Price herein includes Harmonized Sales Tax (hereinafter referred to as "HST"). The Vendor shall be solely responsible for the payment of the HST to the Canada Revenue Agency, net of any and all refunds, credits, rebates, transitional rebates or the like which may be available with respect thereto (collectively the "HST Rebates").
3. In consideration of the Purchase Price being inclusive of HST, the Purchaser hereby irrevocably assigns (in such form as may be required by the Vendor and/or the Government of Canada and/or the Province of Ontario) to and in favor of the Vendor all of their right, title and interest in the HST Rebates and the Purchaser covenants and agrees to deliver to the Vendor on the Closing Date or, if required by the Vendor, any time thereafter, any and all assignments, directions, applications, consents, declarations, undertakings and any other documents required by the Vendor to enable the Vendor to apply for and receive the HST Rebates. In addition, the Purchaser shall execute all documents and do all things necessary to fully cooperate with the Vendor in any manner which would legally minimize the amount of HST payable by the Vendor.
4. The Purchaser covenants, warrants and represents that the Purchaser is an individual and that he shall forthwith following the Closing Date personally occupy the dwelling unit or cause one or more of his relations (as defined in the HST legislation) to occupy the dwelling unit as his or their primary place of residence (as defined in the HST legislation) for such period of time as shall then be required in order to entitle the Purchaser to the HST Rebates pursuant to the HST legislation.
5. In the event the Purchaser shall, for any reason, fail to qualify for the HST Rebates, or any of them, for any reason whatsoever, or if a HST Rebate is not or cannot be assigned to the Vendor, or the HST Rebates are claimed and full payment/credit for same is denied by the Government, the Purchaser shall forthwith upon demand by the Vendor pay to the Vendor an amount equal to the HST Rebates or the amount so reduced or denied, and the amount of the HST Rebates due from the Purchaser shall form a Charge/Vendor's Lien against the dwelling unit being the subject matter hereof and shall be recoverable by the Vendor in the same manner as a mortgage in default. In the event that the Vendor does not receive the full benefit of the HST Rebates for any reason whatsoever, the Purchaser shall indemnify the Vendor in the amount that the Purchaser would have been entitled to had the Purchaser so qualified for all HST Rebates, including interest and costs thereon, and in the event that such failure to qualify is known before the Closing Date, the Vendor shall be credited in the Statement of Adjustments on closing with the amount of the HST Rebate(s) for which the Purchaser does not qualify. The indemnity from the Purchaser referred to herein shall survive closing.
6. Notwithstanding the above, the Purchaser shall, at their own cost and expense, be responsible for payment of HST on all adjustments, chattels included in the above transaction and amounts payable for extras and upgrades and for any increase in the rate of HST after the date hereof. If the Vendor believes, for whatever reason, that the Purchaser does not qualify for the Rebates, 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 HST Rebates, in addition to the Purchase Price. The Purchaser acknowledges and agrees that in the event that the Purchaser undertakes any assignment of the Agreement, whether by way of a schedule that is attached to this Agreement at

Vendor Initials

Purchaser Initials

the time of execution hereof or afterwards, the Vendor shall have the option of requiring any such assignee Purchaser 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 HST Rebates, in addition to the Purchase Price. In those circumstances where the Purchaser maintains that he or she is eligible for the HST Rebates despite the Vendor's belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebates as aforesaid) be fully entitled to file the rebate form directly with (and pursue the procurement of the HST Rebates directly from) the Canada Revenue Agency.

7. The provisions of this Schedule supersede any provisions to the contrary contained in the Agreement.

PREVIEW

Vendor Initials

Purchaser Initials

SCHEDULE J – FORM OF ASSIGNMENT OF AGREEMENT OF PURCHASE AND SALE

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

Purchaser:	Purchaser:		
Additional Purchasers:			
Vendor: CARAT HOLDINGS INC.			
Model Type:	Model Name:	SQ.FT:	Elevation:
Site Plan Lot #	Block #		
Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.			

CONDITIONAL CONSENT TO ASSIGNMENT

- 1) Notwithstanding the non-assignment provisions of this agreement of purchase and sale (the "Purchase Agreement"), and subject to final approval by the Vendor in its sole and unfettered discretion, the Vendor may permit the Purchaser to assign its interest in the Purchase Agreement on or before Closing, provided that the conditions set out herein are satisfied (the "Assignment").
- 2) The parties agree that if the Vendor determines, in its sole and unfettered discretion, to permit the Assignment, the following terms and conditions will apply:
 - a) Written notice of the proposed Assignment must be provided by the Purchaser to the Vendor on the Vendor's approved form at least thirty (30) days prior to the Closing Date.
 - b) The notice of proposed Assignment must contain the full legal name(s), Social Insurance Number(s), and all contact information for the proposed assignee (the "Assignee") and shall also include all contact information for the Assignee's lawyer and any other relevant information about the Assignee known to the Purchaser.
 - c) The Assignee will execute and/or deliver to the Vendor on or before the Closing Date any documentation, as may be required by the Vendor, including but not limited to the following:
 - i) all Purchaser Closing Statement Schedules set out in the Purchase Agreement and the Purchaser Information Form;
 - ii) the application for a rebate of the H.S.T. as contemplated by the Purchase Agreement and the H.S.T. Schedule thereto (if applicable);
 - iii) any affidavit or statutory declaration required to be given by the terms of the Purchase Agreement;
 - iv) an undertaking to re-adjust any items on the Statement of Adjustments;
 - v) an acknowledgment that the Assignee is bound by any documents which were previously executed by the Purchaser, including but not limited to, the Purchase Agreement, any Amendments to the Purchase Agreement, any pre-delivery-inspection forms, or any other documents executed by the Purchaser;
 - vi) evidence to confirm that the Assignee has available funds and/or a mortgage commitment sufficient to enable the Assignee to complete the transaction contemplated by this Agreement of Purchase and Sale;
 - vii) Fintrac forms in the Vendor's or Vendor's realtor's usual form;
 - viii) The amount of consideration paid by the Assignee to the Purchaser for the Assignment of the Purchase Agreement, and,
 - ix) any other documentation that was executed by the Purchaser in connection with the transaction contemplated by the Purchase Agreement, had the Purchaser not assigned the Purchase Agreement.
 - d) The Assignee will provide to the Vendor the Assignee's full legal name(s), birth date(s), address for service, Social Insurance Number, and such other information and documents respecting the Assignee and the Assignment as may be required by the Vendor, in its sole and unfettered discretion.
 - e) The Purchaser and the Assignee will be required to enter into an assignment agreement with the Vendor In a form prepared by the Vendor (the "Assignment Agreement"), which Assignment Agreement will be executed by the Purchaser and the Assignee within 10 days of the Assignment Agreement being provided to the Purchaser and which, shall include, but not be limited to, the following terms and conditions:
 - i) the Assignee shall jointly and severally with the Purchaser, observe, perform and fulfill, from and after the date of the Assignment Agreement, each and every covenant, proviso, obligation, term, and condition of the Purchaser pursuant to the terms of the Purchase Agreement;
- 3) the Assignee may be obligated to pay on Closing any additional tax that may be payable under the Excise Tax Act (Canada) (the "ETA");

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- 4) the Purchaser shall not in any way be released from its obligations under the Purchase Agreement and shall remain jointly and severally liable with the Assignee for the performance and observance of all of the obligations and duties of the Purchaser under the Purchase Agreement and for all damages and costs on account of breach; and
- 5) the Assignee acknowledges, restates, and confirms that it shall be bound by all the terms, conditions, and obligations of the "Purchaser" under the Purchase Agreement as if it were the original purchaser thereunder.
- 6) Before the execution of the Assignment Agreement, payment shall be made by the Purchaser to the Vendor in the amount of Ten Thousand Dollars (\$10,000.00) plus H.S.T. (the "Assignment Amount") by certified cheque as consideration for entering into the Assignment Agreement plus the Vendor's legal fees of One Thousand Dollars (\$1,000.00) plus H.S.T.
- 7) Neither the Assignee nor the Purchaser, respectively, shall be permitted to further assign their right, title, or interest in the Purchase Agreement.
- 8) For greater certainty, the parties agree that the Vendor's consent to any Assignment or to any Assignment Agreement shall be conditional and shall be subject to approval by the Vendor in its sole and unfettered discretion
- 9) Purchaser specifically acknowledges that notwithstanding any assignment pursuant to this Schedule, the Purchaser shall not in any way be released from its obligations under the Purchase Agreement and shall remain jointly and severally liable with any Assignee for the performance and observance of all of the obligations and duties of the Purchaser under the Purchase Agreement.

FORM OF ASSIGNMENT OF
AGREEMENT OF PURCHASE AND SALE BY PURCHASER

BETWEEN:

[Original Purchaser]
(hereinafter collectively referred to as the "**Assignor**")

-and-

[]
(hereinafter collectively referred to as the "**Assignee**")

-and-

CARAT HOLDINGS INC.
(hereinafter referred to as the "**Vendor**")

RECITALS:

- A. The Assignor agreed to acquire from the Vendor, LOT 9, BLOCK ROAD, OAKVILLE pursuant to the terms and provisions of an Agreement of Purchase and Sale, as may have been amended from time to time (hereinafter being referred as the "**Purchase Agreement**") which property was to be acquired by the Assignor (hereinafter referred to as the "**Property**") in accordance with the Purchase Agreement for the purchase price set out in the Purchase Agreement ("**Original Purchase Price**");
- B. The Assignee is desirous of acquiring all of the rights and obligations of the Assignor under the Purchase Agreement and completing the purchase of the Property on the terms set out therein save and except as herein modified;
- C. The Vendor has agreed to the assignment of the Purchase Agreement, subject to the terms and conditions contained herein; and
- D. The Assignor has agreed to assign all of his right, title, and interest in the Purchase Agreement, subject to the terms and conditions contained herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants contained herein and the payment of the sum of Ten (\$10.00) Dollars by each party to the other (the receipt and sufficiency of which is hereby acknowledged) the parties hereto agree as follows:

1. The parties hereto acknowledge and confirm that the foregoing recitals are true both in substance and fact and form part of this Agreement.
2. The Assignor hereby grants and assigns unto the Assignee, all of the Assignor's right,

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title, and interest in, under and to the Purchase Agreement which, without limiting the generality of the foregoing includes all:

- a. rights to the deposits paid to date hereof, together with all interest earned thereon, pursuant to the Purchase Agreement (collectively, the "**Deposit Monies**");
- b. rights to any amounts paid for extras thereunder;
- c. benefits to any and all credits described therein; and
- d. the right to purchase the Property.

The Assignor acknowledges that any amounts paid by the Assignor for deposits and extras will not be returned to the Assignor and the Assignor acknowledges, agrees, and directs that such amounts shall be held for the Assignee by the Vendor as a credit against the purchase price of the Property.

3. Assignment Fees:

- a. Before execution of this Agreement, as per the 'Assignment Agreement', the Assignor hereby agrees to pay to the Vendor the sum of TEN THOUSAND Dollars (\$10,000.00) plus HST, being the non-refundable assignment fee payable herein.
 - b. Before the execution of this Agreement, as per the 'Assignment Agreement', the Assignor hereby agrees to pay to the Vendor's solicitor David Chong Professional Corporation the sum of ONE THOUSAND Dollars (\$1,000.00) plus HST, being the non-refundable amount of the Vendor's solicitors legal fees related to the assignment of the Unit.
 - c. On the Closing Date, the Vendor shall receive twenty-five per cent (25%) of the increase between the Original Purchase Price and the Total Purchase Price paid by the Assignee, being the amount paid by the Assignee to the Assignor for the Assignment of the Purchase Agreement.
4. The Assignee hereby assumes and accepts the Assignor's obligations under the Purchase Agreement and covenants and agrees with the Vendor to complete the transaction therein contemplated and to take title to the Property.
 5. The Assignee acknowledges having received and reviewed the Purchase Agreement and any and all amendments to the Purchase Agreement.
 6. In the event that the Purchase Agreement is not completed by the Vendor for any reason whatsoever, and if the Vendor is to return deposit funds pursuant to the terms of the Purchase Agreement, said deposit funds shall be returned to the Assignee.
 7. The Assignor acknowledges and confirms that notwithstanding the terms hereof, or the Vendor's consent hereto, the Assignor shall be and remain jointly liable with the Assignee under the Purchase Agreement until the transaction hereby provided for has been successfully completed and the Vendor has received all monies payable as set out in the Purchase Agreement in full. In addition, the Assignor acknowledges and agrees that the Vendor shall be entitled to complete the transaction contemplated by the Purchase Agreement directly with the Assignee or the Assignee's solicitor and the Vendor shall not be obligated to provide any further notice to the Assignor whatsoever, other than a notice that the Assignee is in default of the Purchase Agreement
 8. It is expressly understood and agreed that the Assignor shall not make or pursue any claim(s) or proceeding(s) with respect to the Purchase Agreement, the Property, the Deposit Monies and/or paid any monies paid by the Assignor to the Vendor for extras, against the Vendor, Tarion Warranty Corporation, and the surety company or companies that have issued (or will be issuing) one or more bonds to Tarion Warranty Corporation in connection with the Property, nor against any party acting as escrow agent or as a prescribed trustee with respect to purchaser's Deposit Monies (the "**Escrow Agent**"), nor against any other person(s) or corporation(s) entitled to claim (or who might claim) contribution or indemnity from the Vendor in connection with the Purchase Agreement.

As a condition of the Vendor granting its consent herein, the Assignor and Assignee hereby agree to waive any and all entitlement to delayed compensation that may be payable to them under the Purchase Agreement and the Ontario New Home Warranties Plan Act, R.S.O 1990, c.O.31. The provisions of this paragraph shall survive and shall not merge upon the completion of this Agreement, or the transaction contemplated in the Purchase

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Schedule "A"
Details of Assignee

ASSIGNEE NAME:

DATE OF BIRTH (YYYYMMDD)

ADDRESS:

SIN:

PHONE:

E-mail:

ASSIGNEE NAME:

DATE OF BIRTH (YYYYMMDD)

ADDRESS:

SIN

PHONE:

Cell:

E-mail:

ASSIGNEE'S SOLICITOR:

ADDRESS:

PHONE:

FAX:

E-mail:

PREVIEW

Vendor Initials

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SCHEDULE P – PRIVACY

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

Purchaser:	Purchaser:		
Additional Purchasers:			
Vendor: CARAT HOLDINGS INC.			
Model Type:	Model Name:	SQ.FT:	Elevation:
Site Plan Lot #	Block #		
Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist’s conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.			

The Purchaser(s) consents to the Vendor collecting and possessing the Purchaser’s name and “personal information” (as such term is defined in the Personal Information Protection and Electronic Documents Act, 2000, c.5) obtained by the Vendor pursuant to and in connection with this Agreement. The Purchaser acknowledges and agrees that the aforesaid information has been provided to the Vendor with the Purchaser’s knowledge and consent. In addition, the Purchaser(s) consents to the Vendor using, releasing and/or disclosing the Purchaser’s name and personal information to:

- (A) a company or organization affiliated, associated or related to the Vendor, in order to provide the Purchaser with information relating to this project and other projects of such entities;
- (B) any provider of utilities, services and/or commodities to the Dwelling (including, without limitation, gas, electricity, water, telephone, cable and/or satellite TV, etc..) for the purpose of marketing, promoting and providing such utilities, services and/or commodities to the Dwelling; and
- (C) the Vendor’s trades and sub-trades engaged in the construction of the Dwelling for the purposes of completing the Dwelling or resolving any deficiencies or work in connection with the Dwelling or listed on any Pre-Delivery Inspection, 30 day or 1 Year Deficiency Lists.
- (D) the Vendor’s consultants and lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement.

The Purchaser also acknowledges and consent to the Purchaser’s name and personal information remaining in the Vendor’s file for the uses and purposes set out above.

Vendor Initials Purchaser Initials

SCHEDULE R – PURCHASER’S AGENCY DISCLOSURE ACKNOWLEDGEMENT

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

Purchaser:		Purchaser:	
Additional Purchasers:			
Vendor: CARAT HOLDINGS INC.			
Model Type:	Model Name:	SQ.FT:	Elevation:
Site Plan Lot #	Block #		
Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist’s conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.			

The Purchaser(s) hereby acknowledges Harbour Marketing as an agency relationship with the Vendor: **CARAT HOLDINGS INC.**

and will be compensated through the Vendor. This compensation is usually called commission and usually takes the form of a fee or payment from the Vendor upon successful completion of the real estate transaction. An agency relationship is created where one person, known as the principal, asks another person, known as the agent, to act for and on behalf of the principal. The principal will define the nature and extent of the agency relationships. Agents are created when vendors or purchasers ask Realtors to act on their behalf in real estate transactions.

An agent who represents a principal (vendor) owes the principal (vendor) the highest duty of “utmost faith”, the agent must represent the principal’s (vendors) best interests at all times. The agent owes his principal (vendor) a duty of confidentiality regarding information about the principal (vendor). However, the purchaser can expect the Realtor to disclose all pertinent information about the property, not to misrepresent any facts, and to honestly answer all questions about the property. This has been a usual form of relationship for many years in the real estate industry.

As Purchaser, I/we confirm and acknowledge being advised that, and consent to the fact that Harbour Marketing acts as agent only for the Vendor and will be compensated only by the Vendor.

Dated at _____ day of _____, 2024

Witness Purchaser

(Please Print Name)

Witness Purchaser

(Please Print Name)

Vendor Initials Purchaser Initials

SCHEDULE W – WARNING CLAUSE

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

Purchaser:	Purchaser:		
Additional Purchasers:			
Vendor: CARAT HOLDINGS INC.			
Model Type:	Model Name:	SQ.FT:	Elevation:
Site Plan Lot #	Block #		
Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.			

WARNING CLAUSES REQUIRED BY GOVERNMENTAL AGENCIES

NEIGHBOURHOOD INFORMATION MAPPING

The developer shall prepare a preliminary neighborhood information map for the subdivision, to the satisfaction of the Town's Director of Planning Services. The Map is to be posted in a prominent location in each sales office from where homes in the subdivision are being sold and included within the individual purchase and sale agreements. The Map shall include the location and type of parks, open space / valley land and walkways, a general description of their proposed facilities as well as the following information:

- a) All approved street names,
- b) The proposed land uses within the subdivision based on the draft approved plan,
- c) The immediately surrounding existing and proposed land uses and potential building heights,
- d) For any DUC/TUC or mixed-use blocks include the min/max heights permitted within the Zoning By-law including any development file numbers if applications for these blocks are under review,
- e) Where applicable, a statement indicating that place of worship and school sites may be used for residential uses if they are not acquired for their original purpose within the time period specified in the subdivision agreement,
- f) Those lots or blocks that have existing and potential environmental noise constraints based on the noise feasibility study. Include all relevant warning clauses on the map,
- g) The approximate locations of noise attenuation walls and berms,
- h) The approximate locations and types of other fencing within the subdivision,
- i) Where parks and open space, stormwater management facilities and walkway / vista blocks /servicing blocks are located,
- j) The types and locations of village squares, parks, valley lands and other open space (i.e., passive, or active) and a general description of their proposed facilities and anticipated level of maintenance
- k) The locations of all anticipated Canada Post Community Mailboxes,
- l) The anticipated Transit routes through the subdivision,
- m) Garage Floor Plan for each unit type offered showing typical vehicle type accommodation, waste and yard care storage, and bicycle storage.
- n) The following standard notes:
 1. This map, and the following list, is intended to provide potential home buyers with general information about the neighbourhood and the surrounding area. If you have specific questions, you are encouraged to call the Town's Planning Department during normal business hours which are 8:30 am to 4:30 pm, Monday to Friday.
 2. Please Note: this map is based on information available on May 5, 2023 and may be revised without notice to purchasers.
 3. The map shows that there will be several types of proposed and potential housing and building heights in the subdivision.
 4. Sites shown on the map for future schools, townhouses, parks, shopping, etc. could have driveways anywhere along their street frontage.
 5. Some streets in this subdivision will be extended in the future and temporary access roads may be closed.
 6. There may be catch basins or utilities easements located on some lots in this subdivision.
 7. Some lots and blocks will be affected by noise from adjacent roads, and warnings will apply to purchasers.
 8. Some dwelling units are in proximity to commercial, institutional and/or school uses from which activities may at times be audible. The map shows that some of the lots affected by noise will be fitted with noise barriers and some of the homes will be provided with central air conditioning to allow bedroom windows to be closed if necessary due to the noise.
 9. Neighbourhood Park Block 24 will be developed as an active park(s) and may contain play equipment, walkways, lighting, landscaping, and passive use free-play areas. Residents close to Block 24 may be disturbed by noise and lighting from the park. For detailed information pertaining to park or open space issues, please call the Town's Parks & Open Space Department 905.845.6601
 10. Natural Heritage System, valleys, woodlots, and stormwater management ponds in this subdivision will be left in a natural condition with minimal maintenance and no grass cutting, only periodic removal of debris. Residents adjacent to these blocks are requested to limit the use of pesticides and fertilizers to reduce adverse effects on the NHS.
 11. Community mailboxes will be directly beside some lots.
 12. Purchasers are advised that the final location of walkways in Blocks 1 to 12 may change without notice.
 13. School sites in this subdivision may eventually be converted to residential uses.
 14. Most streets contain on-street parking, and may be available for overnight parking, subject to parking permits.

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15. The completion of some dwellings in this subdivision may be delayed until after the completion of exterior finishes on the adjacent buildings.
16. There may be Transit bus routes on some streets within this subdivision with stops beside some homes. Oakville Transit reserves the right to introduce transit services and facilities such as bus stops, shelters, pads, and associated amenities on any municipal rights-of-way to provide effective service coverage.
17. Boulevard trees will be planted according to Town standards and a tree will not necessarily be located in front of every home. Purchasers are further advised that home builders are not permitted to charge a purchaser separately for the cost of trees, sodding, fencing, and paving of the driveway apron. The Town will not reimburse purchasers, nor assist in any recovery of moneys paid, under any circumstance.
18. The design of features on public lands may change. Builders' sales brochures may depict these features; however, the Town has no control over builders' sales brochures.
19. Gates are not permitted in fences when lots abut the Natural Heritage System, a trail, valley land, active park, woodlot, or stormwater management pond.
20. The Town's Zoning By-law regulates the width of driveways. Please do not have your driveway widened before inquiring about the permitted driveway width for your lot.
21. Not all vehicle types can be accommodated on the proposed lots whether on the driveway or within a garage area. Check with your builder regarding the particular situation for the model and lot you intend to purchase.
22. This community is subject to Architectural Control. Models available for sale have to be pre- approved by the Control Architect and certain models may not be available for some of the lots. Check with your builder regarding the particular situation for the model and lot you intend to purchase.
23. Halton Region is responsible for household garbage, recycling, and green bin collection. For further information, please call 311 or visit Halton.ca
24. For further general information on proposed and existing land use, please call the Town's Planning Department 905.845.6601.
25. For detailed grading and berming information, please call the Town's Development Services Department 905.845.6601

The developer shall ensure that each builder selling homes within the subdivision provides prospective purchasers with a Notice to New Home Purchasers from the Town in the prescribed format that includes all of the notes required on the neighbourhood information maps and attaches a copy of the most up-to- date neighbourhood information map to each offer of purchase and sale agreement.

That the Owner agrees that warning clauses shall be included in a registered portion of the Regional Subdivision Agreement, and in subsequent offers of purchase and sale on all units within this development and, registered on title regarding potential high-water pressures within the subdivision to the satisfaction of Halton Region.

That the Owner agrees that warning clauses shall be included in a registered portion of the Regional Subdivision Agreement, and in subsequent offers of purchase and sale on all units within this development and, registered on title regarding potential water pressures changes within the subdivision resulting from the realignment of the Region's water pressure zones from the existing zone condition to the interim and ultimate zone pressure conditions to the satisfaction of Halton Region.

That the Owner agrees to place the following notification in all offers of purchase and sale for all lots and/or units and in the Town's subdivision agreement to be registered on title:

- a) Purchasers are advised that a fully constructed municipal right-of-way, inclusive of full municipal services and utilities may not be available at file time of purchase.
- b) Purchasers are advised that until such time as the lot/block can be accessed from a fully constructed municipal right-of-way and has been connected to full municipal services and utilities, building permits may not be issued.
- c) Purchasers are advised that the construction of the municipal right-of- way, and installation of municipal services and utilities is the responsibility of the developer, not the municipality.
- d) Purchaser of units abutting Sixth Line are advised that Sixth Line is a Town Minor Arterial roadway and increased volumes of traffic will occur.
- e) Purchasers of Blocks 1-5 are advised that their properties abut land which may be developed for future residential uses.
- f) Purchasers for all lots adjacent to the watercourse block or other feature regulated by Conservation Halton are advised that the feature is regulated by Conservation Halton and that no encroachment is permitted, and that vegetation shall not be manicured in accordance with Ontario Regulation 162/06.
- g) Purchasers and/or tenants of lots or units in Blocks 5 and 6 are advised that they abut a Walkway Block (Block 23) which will allow for public access.
- h) Purchasers and/or tenants of Blocks 5 and 6 are advised that a walkway may abut the subject property consistent with the North Oakville East - Trails Plan. During normal use of, and activity on, the walkway, some 'noise could occasionally be generated that may potentially interfere with outdoor activities on the subject property.
- i) Purchasers and/or tenants of Blocks 24 are advised that the property is regulated by Conservation Halton. Conservation Halton must be contacted prior to any development occurring on the property.
- j) Purchasers and/or tenants for all lots adjacent to the Natural Heritage System (Block 24), a statement which advises that the Town reserves the right to install a public trail connection within these blocks. Further purchasers are advised that individual gate access to these blocks from their property is prohibited. In addition, dumping of yard waste or other household materials is also prohibited.
- k) Purchasers and /or tenants are advised that gates are not permitted to be installed within any boundary fence adjacent to Block 24.
- l) Purchasers are advised that the Town of Oakville's current street tree planting standards, which are subject to change, are intended to have an average of one tree for every twelve metres of frontage to be considered for planting in order to accommodate future tree growth. This means that not every house is intended to receive a tree. Purchasers are also advised that the ability to accommodate the planting of a street tree within the public road allowance will be

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Purchaser Initials

influenced by housing form, development setbacks, utilities, driveway width and location. The Town reserves the right, in its sole discretion, to determine whether a street tree will be planted at any particular location within the subdivision particularly on narrow' building lots.

- m) Purchasers are advised that winter maintenance and snow plowing from public streets and laneways will be done in accordance with the Council approved protocol and policies for snow removal.
- n) Purchasers and/or tenants are advised that the homeowner's builder is responsible for the timing and coordination of rectifying lot grading matters which occur prior to grading certification.
- o) Purchasers and/or tenants are advised that prior to the placement of any structures in side and rear yards, the Zoning By-law should be reviewed to determine compliance and that a Site Alteration Permit may be required prior to proceeding to do any site work.
- p) Purchasers and/or tenants are advised that private landscaping is not permitted to encroach within the Town's road allowance, public open space, or Natural Heritage System area. Any unauthorized encroachments are to be removed by the homeowner prior to Assumption.
- q) Purchasers and/or tenants are advised that an overall grade control plan has been approved for this Plan and further some lots will incorporate the drainage of adjoining lots through the design of swales and rear lot catch basins.
- r) Purchasers are advised that any unauthorized alteration of the established lot grading and drainage patterns by the homeowner may result in negative drainage impacts to their lot and/or adjoining lots.
- s) Purchasers are advised that the following street(s) in the area may be designated as interim or permanent bus routes, and that bus stops and shelters may be installed along the street(s): Streets A, G and Sixth Line
- t) Purchasers and/or tenants are advised that home/business mail delivery will be from designated Community Mailboxes and that purchasers are to be notified by the developer/owner regarding the exact centralized mailbox locations prior to the closing of any home sales.
- u) Purchasers are advised that the schools on sites designated for the Halton District School Board or Halton Catholic District School Board in the community are not guaranteed. Attendance in the area is not guaranteed. Pupils may be accommodated in temporary facilities and/or be directed to schools outside of the area.
- v) Purchasers are advised that school buses will not enter a cul-de-sac and pick-up points will be generally located on through streets convenient to the Halton Student Transportation Services. Additional pick-up points will not be located within the subdivision until major construction activity has been completed.
- w) Purchasers are advised that Town Stormwater Management Ponds will be subject to scheduled maintenance and periodic cleanout in accordance with Town requirements.
- x) Purchasers are advised that driveway entrance widenings or modifications will not be permitted where they impact on the availability of on-street parking space. Property Owners must take note of the available parking space on their own private lot and purchase homes with knowledge that additional space for more personal / family vehicles may be limited or unavailable.
- y) Purchasers are advised that Catholic school accommodation may not be available for students residing in this area, and that you are notified that students may be accommodated in temporary facilities and/or bussed to existing facilities outside the area. Halton Catholic District School Board will designate pick up points for the children to meet the bus on roads presently in existence or other pick-up areas convenient to the Board.
- z) Purchasers are advised that North Oakville is founded on the principle of public transit as a priority and as such buses with varying frequencies of services are expected to operate throughout the neighborhoods. Residents are expected to accept bus operations, with their associated impacts as a reality along the roadways of this community. Transit infrastructure including bus stops and bus shelters may be located on municipal streets within subdivisions either as temporary and/or permanent features.
- aa) Purchasers are advised that Public roads are expected to accommodate pedestrians, cyclists, and vehicles of all types. Temporary and/or permanent public parking along municipal roads except laneways adjacent to any property can be made available for on-street parking by the public and is not reserved for use by the property Owner. This will be most evident in close proximity to parks, schools, laneways and { commercial or mixed-use districts where visitors to these locations will be encouraged to park on-street in accordance with municipal requirements as on-site parking space will be minimal or non-existent.
- bb) Purchasers are advised that there is the potential for high water pressures within the subdivision.

In cases where offers of purchase and sale have already been executed, the Owner shall send a letter to all purchasers which include the above statements and Neighborhood Information Map.

Vendor Initials

Purchaser Initials

FINAL NEIGHBOURHOOD INFORMATION MAP

DIGRAM DEVELOPMENTS OAKVILLE INC.

3380 SIXTH LINE
DRAFT PLAN NO: 24T-20003 / 1316

8TB-01
PROPOSED TOWNHOUSE DEVELOPMENT

8BT-01
PROPOSED TOWNHOUSE DEVELOPMENT

18T-01
PROPOSED TOWNHOUSE DEVELOPMENT

LEGEND

- PROPOSED TOWNHOUSE DEVELOPMENT
- CULTURE PARK/RECREATION/ARTS
- PROPOSED COMMERCIAL DEVELOPMENT
- FUTURE RESIDENTIAL DEVELOPMENT
- FUTURE ELEMENTARY SCHOOLS
- NATURAL HERITAGE SYSTEM
- PROPOSED SIDEWALK
- PROPOSED BIKEWAY
- PROPOSED TRAIL
- PROPERTY LINE
- LOT LINE
- PROPOSED SIDEWALK
- PROPOSED BIKEWAY
- PROPOSED TRAIL
- PROPOSED TOWNHOUSE DEVELOPMENT
- CULTURE PARK/RECREATION/ARTS
- PROPOSED COMMERCIAL DEVELOPMENT
- FUTURE RESIDENTIAL DEVELOPMENT
- FUTURE ELEMENTARY SCHOOLS
- NATURAL HERITAGE SYSTEM
- PROPOSED SIDEWALK
- PROPOSED BIKEWAY
- PROPOSED TRAIL
- PROPERTY LINE
- LOT LINE
- PROPOSED SIDEWALK
- PROPOSED BIKEWAY
- PROPOSED TRAIL
- PROPOSED TOWNHOUSE DEVELOPMENT
- CULTURE PARK/RECREATION/ARTS
- PROPOSED COMMERCIAL DEVELOPMENT
- FUTURE RESIDENTIAL DEVELOPMENT
- FUTURE ELEMENTARY SCHOOLS
- NATURAL HERITAGE SYSTEM
- PROPOSED SIDEWALK
- PROPOSED BIKEWAY
- PROPOSED TRAIL
- PROPERTY LINE
- LOT LINE
- PROPOSED SIDEWALK
- PROPOSED BIKEWAY
- PROPOSED TRAIL



OAKVILLE COSBURN GIBERSON LANDSCAPE ARCHITECTS

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Purchaser Initials

SCHEDULE X

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

Purchaser:	Purchaser:		
Additional Purchasers:			
Vendor: CARAT HOLDINGS INC.			
Model Type:	Model Name:	SQ.FT:	Elevation:
Site Plan Lot #	Block #		
Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.			

1. ADJUSTMENTS

- a. The Purchaser agrees to accept the utility suppliers designated by the Vendor and if, subsequent to Closing and prior to the assumption of the subdivision by the municipality (the "Municipality"), the Purchaser changes any utility supplier, the Purchaser shall be responsible for the repair of any damage to the Property and neighboring lands by such alternate utility supplier and any costs incurred by the Vendor or subdivider of the plan of subdivision in which the Property is situate (the "Subdivider") to restore the Property to original state provided by the Vendor. The Purchaser further agrees to take all necessary steps to assume immediately on Closing charges for hydro, water, and other services. The Vendor may recover any payments therefore from the Purchaser. The water meter is not included in the purchase price 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 or installation of the water meter and the cost of hydro installation and connection fee.
- b. The Purchaser shall pay the Vendor on Closing for any recycling container, green bin or kitchen collector charges imposed upon the Vendor by the Developer or the Municipality. All costs herein are subject to HST.
- c. Taxes, 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. All costs herein are subject to HST.
- 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 plus applicable taxes.
- e. The sum of \$145.00 for the HCRA Regulatory Oversight Fee, plus applicable taxes.
- f. The Vendor represents and warrants that it is registered as a builder under the Act, as hereinafter defined, and that the Dwelling is or will be enrolled under the Act. The Purchaser covenants and agrees to reimburse the Vendor on Closing for the enrolment fee paid by the Vendor for the Dwelling under the Act, plus applicable taxes.
- g. The sum of \$1,000.00 for tree planting, plus applicable taxes.
- h. \$1,000.00 for the installation of sod, which will be done on a date in the discretion of the Vendor.
- i. any increase after the date of execution of this Agreement by the Purchaser in any levy, payment, contribution, charge, fee or assessment, including without limitation, any parks levies, development charges, education development charges, sewer impost charges, service connection charges, cash in lieu of parkland dedication payments, public art contributions and/or impost charges (collectively, the "Existing Levy") required, assessed, charged or imposed as of that date by the Municipality, a regional municipality, a transit authority, developer, neighborhood cost sharing group, 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 and/or if any of the aforesaid authorities require, assess, charge or impose a new or any other levy, payment, contribution, charge, fee or

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assessment (collectively referred to as the "New Levy") 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 after the date of execution of this Agreement by the Purchaser then, the Purchaser shall pay the Increase to the Existing Levy and/or amount of the New Levy, as the case may be, as an adjustment plus Applicable Taxes eligible thereon.

j. The Vendor shall have the option to collect and remit the retail sales tax, 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.

k. The Purchaser agrees to pay the Vendor on Closing the sum of \$750.00 for a final survey of the purchased Dwelling, plus applicable taxes.

l. \$1,000.00 on account of grading and subdivision service damage security, plus applicable taxes.

m. \$150.00, plus Applicable Taxes, administrative fee shall be charged to the Purchaser for each sum that the Vendor permits to be paid to the Vendor's solicitor on account of the Purchase Price by wire transfer or direct deposit. All payments by wire transfer or direct deposit shall be made In strict accordance with the provisions of the Vendor's solicitor's wire transfer and direct deposit form, which may be amended by the Vendor's solicitor from time to time. Without derogation from any other right or remedy of the Vendor, if such form is not complied with and a wire transfer or direct deposit is made on account of the Purchase Price, the Purchaser shall pay an additional adjustment of \$150.00, plus Applicable Taxes, as an administrative fee per occurrence.

n. \$250.00, plus Applicable Taxes, administrative fee shall be charged to the Purchaser for each deposit cheque in the possession of the Vendor's solicitors that the Vendor permits to be: (i) exchanged for a replacement cheque or (ii) deposited on a later date than the date indicated on the face of said cheque.

o. The amount of any cost directly or indirectly incurred by the Vendor that is attributable to a charge by Canada Post Corporation with respect to the installation and/or activation of mail delivery shall be payable by the Purchaser and adjusted on Closing in favour of the Vendor on the statement of adjustments.

p. The sum of Three Hundred (\$300.00) toward the cost of obtaining (partial) discharges for mortgages on the Property which are not intended to be assumed by the Purchaser, plus registration fee and applicable taxes.

q. The LawPro real estate transaction levy surcharge imposed on the Vendor's solicitor.

r. \$250.00 plus HST on account of delivery of documents through online portal.

s. \$350.00 in legal fees, per occurrence, for delay and/or change in Purchaser information, including eligibility for a rebate of HST, prior to the Closing Date.

t. 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 under the Mortgage Act of Ontario.

u. The Vendor may reserve a Vendor's Lien, following the Vendor's usual form, for unpaid purchase monies or adjustments or claims herein provided together with the interest thereon as set forth in section 1(h) hereof, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's Lien after such monies have been received by the Vendor and upon payment of a discharge fee of \$100.00 plus applicable taxes.

v. The Purchaser shall provide a refundable deposit on the Closing Date (the "Security Deposit") to secure compliance with the Purchaser's obligations hereunder including, without limitation, the Purchaser's grading and subdivision damage covenants. Such Security Deposit shall be equal to the greater of point three percent (.3%) of the Purchase Price or Two-Thousand-Five-Hundred Dollars (\$2,500.00), plus applicable taxes all re-adjustments, without interest, to be made forthwith upon municipal assumption of subdivision services.

w. In the event the Vendor has undertaken an obligation to the Subdivider to contribute to the cost of subdivision esthetic enhancement such as boulevard treatment or improvement, or landscaping, or subdivision entrance features, or corner lot fencing and/or architectural features, or fences or retaining walls, in the subdivision, the Purchaser shall, on Closing, reimburse the Vendor as to the cost thereof for the Property, plus all applicable taxes thereto, the cost to be

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absolutely determined and apportioned by statutory declaration sworn on the part of the Vendor.

x. A Five Hundred Dollar (\$500.00) plus applicable taxes administrative fee shall be charged to the Purchaser for any cheque delivered to the Vendor pursuant to this Agreement, or for any extras ordered, which is returned “N.S.F.” or upon which a “stop payment” has been ordered or is not honored by the bank of the Purchaser for any other reason (collectively “Returned Cheque”) and such administrative fee shall be paid with the replacement cheque.

y. The Purchaser shall pay as an adjustment on Closing for the second coat of asphalt in the amount of \$2,000.00 plus HST for a single driveway and \$3,000.00 plus HST for a double driveway.

z. \$350.00 in legal fees, per occurrence, for delay and/or change in Purchaser information, including eligibility for a rebate of HST, prior to the closing date.

aa. Walk-out Basement Condition: Any unit/lot determined by the Vender’s Architect, as their sole discretion, to have a walk-out basement due to grading conditions shall be charged to the Purchaser on closing at the rate of \$35,000.00 unless included in the purchase price.

bb. Look-out Basement Condition: Any unit/lot determined by the Vendor's Architect at their sole discretion, to have a look-out basement due to grading conditions shall be charged to the Purchaser on closing at a rate of \$25,000.00 plus HST unless included in the purchase price.

cc. The Purchaser agrees to pay on closing \$750.00 for grading the Property in accordance with the requirements of the City/Town.

2.PRE-CONSTRUCTION APPROVALS

a) Notwithstanding the Closing of this transaction, the Purchaser’s covenants, warranties and agreements in this Agreement shall not merge but shall remain in full force and effect according to their terms notwithstanding the conveyance of title to the Property and the payment of the Purchase Price. The Purchaser shall give to the Vendor any further written assurance and will execute such other documents as may be required by the Vendor to give effect to this covenant either before or after the Closing Date. The Vendor, the Subdivider or their servants or agents may, for such period after Closing as is designated by the Subdivider and/or Vendor, enter upon the Property at all reasonable hours to enable completion or correction of sodding, to inspect, repair, complete or rectify construction, grade and undertake modifications to the surface drainage, including installation of catch basins, without liability therefore, and the Transfer/Deed may contain such provisions.

b) The Purchaser will not alter the grading of the Property contrary to the municipally approved drainage pattern or 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. If the Vendor has not undertaken to pave or finish the driveway pursuant to this Agreement, the Purchaser shall not pave or finish the driveway without the prior written consent of the Vendor and the prior written consent of the Subdivider and the Municipality, if required by the subdivision agreement or any other municipal agreement. Following such approval and prior to completing the driveway, the Purchaser shall notify the Vendor in writing so that water keys can be located and raised, if necessary. The Purchaser covenants and agrees not to damage or alter any subdivision service and shall be liable for the cost of rectification of any such damage or alteration, and in the event same is not paid upon demand, the Vendor shall have the right to register a lien on title to secure such payment. The Purchaser agrees that neither the Purchaser(s) nor their successors or assigns shall construct or install a swimming pool, fencing, air conditioning unit or decking, nor shall the Purchaser alter or widen the driveway upon the Property until after the Vendor has obtained final lot certification from the Municipality. The Purchaser agrees to remove such additions and/or improvements at its own cost upon the Vendor’s request, failing which the Vendor may remove same at the Purchaser’s expense.

c) The Purchaser acknowledges that construction of the Dwelling may be subject to the requirements of the architect appointed by the Subdivider (the “Subdivider’s Architect”) and the Purchaser agrees to accept the Property subject to any changes, variations or restrictions now or hereafter imposed by the Subdivider or Subdivider’s Architect. The Purchaser further acknowledges that the lot sizes and dimensions of the Property set out in this Agreement or on any schedule

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attached hereto or shown on drawings or plans made available to the Purchaser on site or otherwise are approximate only and may be subject to change without notice. In the event the size, frontage, depth or area of the Property is varied from those specified in the Agreement, or on any schedule attached hereto or shown on drawings or plans made available to the Purchaser on site or otherwise, as aforesaid, or any or all of the foregoing and provided the Property complies with municipal and other governmental requirements including zoning by-laws, the Purchaser agrees to accept all such variations without claim for abatement in the Purchase Price and this Agreement shall be read with all amendments required thereby. In addition to the foregoing, if minor variations to the size of the Dwelling including internal dimensions of any areas (including actual usable floor area) are made to the Dwelling the Purchaser shall accept such minor variations without any abatement to the Purchase Price. The Purchaser acknowledges that the distance and view from the Property shown on any site plan, artists' renderings or scale model are approximate only and/or may be modified during construction.

- d) This Agreement is conditional upon compliance with the subdivision control requirements of the Planning Act (Ontario) which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
- e) All exterior elevations and colors are architecturally controlled and approved. No changes whatsoever will be permitted to the aforementioned and the Purchaser hereby acknowledges notice of sale and agrees to accept the exterior elevation and color scheme chosen by the Vendor and any changes to the exterior color schemes as may be approved by Architectural Control from time to time.
- f) The Purchaser acknowledges and agrees that in the event the Dwelling being purchased herein is a semi-detached dwelling unit, the lot upon which such semi-detached dwelling unit is constructed will not necessarily be divided equally but may instead be divided in unequal proportions. The Purchaser agrees to accept any such unequal division of such lot.
- g) The Purchaser covenants and agrees that should the Purchaser request any changes such as but not limited to lot change, elevation change, model type change which would require a mutual release of this Agreement and a new agreement of purchase and sale prepared, the Purchaser shall be required to pay to the Vendor an administration fee of One Thousand Five Hundred Dollars (\$1,500) together with HST plus any additional costs associated with the requested change prior to the Vendor agreeing to process such a change.
- h) In the event that the Vendor determines by January 31, 2025, in its sole, absolute and arbitrary discretion, that it has not received approval from an approving authority for the site plan or other development agreements, or if it is determined that it is not economically or otherwise feasible for it to construct or sell the units or otherwise proceed with the project, then in such event the Vendor, at its option, shall have the unilateral right of terminating this Agreement upon written notice to the Purchaser, and in accordance with Tarion's early termination conditions, as set out in the Tarion Schedule to this Agreement, the Vendor shall thereupon return to the Purchaser all deposit monies theretofore paid and this Agreement shall thereupon be null and void and of no further force or effect and the Vendor and any agent shall not be liable for any costs or damages incurred by the Purchaser in connection with this Agreement.

3.CONSTRUCTION

a) The Vendor will construct (if not already constructed) and complete upon the Property a dwelling (the "Dwelling") of the type hereinbefore indicated in accordance with the plans of the Vendor therefore and filed or to be filed with the Municipality in order to obtain a building permit. If, for any reason, except the Vendor's willful neglect, the Dwelling is not completed, utility services are not operative, or the Dwelling has not been approved for occupancy by the Municipality on or before the Closing Date, the Purchaser agrees to grant, and hereby grants such reasonable extension or extensions of time for completion of the foregoing as may be required by the Vendor, and the Closing Date shall be extended accordingly. 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 section 4(a) 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. Subject to the foregoing, if the Dwelling is not

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completed on or before the original or extended Closing Date, or if the said Dwelling type cannot be sited or built on the Property in accordance with the requirements of the Municipality, the Vendor may cancel this Agreement and the Purchaser shall be entitled to a refund of the deposit monies, without interest, subject to deductions for any extras ordered by the Purchaser, if such extras have already been included in the Dwelling, but in no event shall the Vendor or the real estate broker, if any, described in this Agreement or any of its agents (collectively, the "Broker") be liable for any damages or costs whatsoever. The Vendor shall not be obliged to provide the Purchaser or his solicitor with an occupancy permit, a provisional occupancy permit or any other evidence whatsoever that the Purchaser is entitled to take occupancy of the Property save and except if required by the Municipality. The Purchaser acknowledges that if it is the policy of the Municipality to issue occupancy permits or certificates, such permits or certificates may not be available for delivery to the Purchaser on Closing. Provided that the Dwelling has been inspected and approved for occupancy by the Municipality on or before Closing, the Purchaser shall accept the undertaking of the Vendor to provide a copy of the occupancy permit or certificate to be issued by the Municipality as soon as possible following Closing.

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

c) The Purchaser acknowledges and agrees that architectural control of external elevations, driveway construction, boulevard tree planting, landscaping, corner lot fencing (including the location of such corner lot fencing) and architectural features, exterior color 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. The Purchaser further acknowledged that:

(i) such subdivision aesthetic enhancements may not necessarily apply to/benefit all dwellings within the subdivision and the placement of privacy fencing/municipal trees may be sporadic in accordance with municipally approved plans and the overall design objectives of the Municipality/Subdivider. Purchasers who do not receive/benefit from any subdivision aesthetic enhancement are not entitled to any refund/abatement or any sums payable to the Vendor hereunder. In the event the Vendor is obligated to install or provide any aesthetic enhancements, such enhancements will be provided and installed at the times determined by the Vendor and shall not comprise outstanding deficiencies or matters with respect to the completion of the Dwelling. The Purchaser specifically acknowledges covenants and agrees that any such feature shall be installed at the times determined by the Vendor in its sole and absolute discretion; and

(ii) in the event the Vendor is required, in compliance with such architectural control requirements, to construct an external elevation for this Dwelling other than as specified in this Agreement, or amend the driveway construction, boulevard tree planting or landscaping plan for this Dwelling (all of which is hereinafter referred to as the "Amended Elevation"), the Purchaser hereby irrevocably authorizes the Vendor to complete the Dwelling herein including the required Amended Elevation, and the Purchaser hereby irrevocably agrees to accept such Amended Elevation in lieu of the elevation specified in this Agreement. The Vendor shall have the right, in its sole discretion, to construct the hereinbefore described Dwelling either as shown on the sales brochures, renderings and other plans and specifications approved by the Municipality or any other authority having jurisdiction over same, or, to construct such Dwelling on a reverse mirror image plan, including reversal of garage siting and reversal of interior floor plan layout or to eliminate side windows on such Dwelling as may be required by the Municipality's side yard setback restrictions. 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 approved by the Municipality or any other authority having jurisdiction over same, necessitating a step, landing or series of steps to the front door, side door, rear door, or any door from the garage to the interior (if grade permits) of the Dwelling (notwithstanding that such step, landing or series of steps may encroach into the garage parking area and/or affect the interior floor

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area of the dwelling adjacent to such step, landing or series of steps), 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. In the event a landing or series of steps are required at a door from the garage to the interior, the Purchaser(s) agree to pay the additional cost involved (such cost shall be absolutely determined by Statutory Declaration sworn on the part of the Vendor) as an adjustment on Closing.

d) The Purchaser hereby acknowledges that complete engineering data in respect of the Municipally approved final grading of the Property may not, as yet be complete and accordingly, it may not be possible to construct a Dwelling with a walk-out basement or rear deck where so indicated in this Agreement, or vice versa. In the event this Agreement calls for a walk-out basement or rear deck and such is not possible or reasonable in the Vendor's opinion, the Purchaser hereby irrevocably agrees to accept such change without notice and without any right of abatement to the Purchase Price and in full satisfaction of the Vendor's obligations with respect to the construction of the Dwelling. In the event this Agreement does not call for a walk-out basement or rear deck and such is required, pursuant to final approved grading and engineering plans, the Purchaser shall pay the additional cost involved in constructing such walk-out basement or rear deck, as the case may be (such costs shall be absolutely determined by Statutory Declaration sworn on the part of the Vendor).

e) The Purchaser acknowledges that certain lots within the subdivision may require catch basins and/or bioswales in the rear yard and associated leads, drainage system, weeping pipe/sump pump systems, retaining walls, fencing, landscaping and that hydro transformers, telephone/cable pedestals and/or boxes, streetlight poles and hydrants or any other street furniture will front onto certain lots (including the Property) within the subdivision. The Purchaser agrees to accept the Property subject to any such retaining walls, catch basins, bioswales, drainage system, weeping pipe/sump pump systems, fencing, landscaping or other subdivision enhancement features and that hydro transformers, telephone/cable pedestals and/or boxes, streetlight poles and hydrants or any other street furniture are required pursuant to the municipally approved plans.

f) In the event the Purchaser completes this transaction and occupies the Dwelling at a time prior to the Vendor completing all of its work or construction within the Subdivision, the Purchaser covenants and agrees to permit the Vendor and its agents and subtrades to enter upon the Property for the purposes of completing work on an adjoining property or other properties in the Subdivision and the Purchaser shall not interfere with any work or construction being so performed by the Vendor and its agents and subtrades. The Purchaser agrees that this covenant may be pleaded by the Vendor as an estoppel to any action or opposition by the Purchaser.

g) The Purchaser covenants and agrees that he shall pay to the Vendor in advance for all extras, upgrades or changes plus applicable taxes ordered by the Purchaser at the time such order is made, and the Purchaser further acknowledges and agrees that such payment is non-refundable in the event that this transaction is not completed for any reason whatsoever save and except for the default of the Vendor. 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 or credited to the Purchaser in the manner following, that portion of the amount paid by the Purchaser in connection with such extras, upgrades or changes allocated to those extras, upgrades or changes which remain incomplete in whole or in part as aforesaid, as determined by the Vendor. The Purchaser further acknowledges and agrees that the amount so paid to the Purchaser (or for which, in the alternative, in the Vendor's discretion, the Purchaser received credit in the statement of adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be deemed to have been released from any and all obligation, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes. In the event the Purchaser neglects to advise the Vendor forthwith upon request as to the Purchaser's selection

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of finishing specifications, or orders any extras, upgrades in interior finishing's, 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 Purchaser Price, on the Vendor's undertaking to complete any of the Vendor's outstanding work. The Purchaser shall not be entitled to any credit for any extras, upgrades or changes that are included in this Agreement if the Purchaser subsequently elects to alter, replace or delete such extras, upgrades or changes.

h) The Vendor is not responsible for shade difference occurring in the manufacture of items such as, but not limited to, finishing materials or products such as cushion floor, carpet, floor tiles, roof shingles, brick, aluminum or vinyl siding, bathtubs, water closets, sinks and other such products where the product manufacturer establishes the standard for such finishes. The Vendor is also not responsible for color variations in natural products or the finishes on natural products such as but not limited to marble, granite, hardwood flooring, kitchen cabinets, wood stair railings, spindles, trim as well as stains or finishes applied to any of the aforesaid which colors may vary when finishes are applied to them. Nor shall the Vendor be responsible for shade difference in color of components manufactured from different materials, but which components are designed to be assembled into either one product or installed in conjunction with another product such as but not limited to plastic toilet seats, china toilets, enamel tubs, melamine cabinet finishes and paint and in these circumstances the product as manufactured shall be accepted by the Purchaser.

i) All dimensions and specifications on sales brochures and other sales aids are artists' concept only and are approximate and subject to modification without prior notice at the sole discretion of the Vendor in compliance with the Ontario Building Codes. The location of mechanical installations may not be as shown on the sales brochures and will be located in accordance with approved plans and/or good construction practice and may result in room size or garage size reduction commensurate with the mechanicals being installed. The Purchaser acknowledges being advised by the Vendor that the Vendor has experienced a high rate of theft of air-conditioning units when they are installed prior to the Closing Date. Accordingly, the Purchaser acknowledges that if the Agreement herein calls for the Vendor to install an air-conditioning unit, the said unit will be on a rental basis

ii) The Vendor has the right to install that unit, in accordance with the Agreement, within ten (10) days after the Closing Date. The Purchaser shall not be entitled to any holdback on account of the Purchase Price notwithstanding that the air-conditioning unit is not installed on the Closing Date. Notwithstanding the foregoing, in the event that the Purchaser requires the air-conditioning unit to be installed prior to the Closing Date, the Purchaser shall make written request therefore, such request to be received not later than thirty (30) days prior to the Closing Date by way of separate written request addressed to the Vendor's solicitor. The Purchaser acknowledges that the Purchaser shall assume all liability for the air-conditioning unit in the event that it is stolen after its installation prior to the Closing Date and the Vendor shall not be obliged to replace same nor shall there be any adjustment in the Purchase Price with respect thereto.

j) Where any portion of any pre-existing fence (not installed by the vendor) is within twelve (12) meters of the Property line, such fence shall be deemed not to be an encroachment at that point (the "Permitted Encroachment") and the Purchaser agrees to accept title to the Property and to complete the sale contemplated herein, without abatement of the Purchase Price. If any portion of any fence is not deemed to be a Permitted Encroachment (an "Unpermitted Encroachment") then the Purchaser shall complete the transaction herein either upon the Vendor's undertaking to take all reasonable lawful steps to remove the Unpermitted Encroachment; or, at the Vendor's sole option, upon an abatement in the Purchase Price, such abatement to be calculated by multiplying the Purchase Price of the lot only without a Dwelling (or the fair market value of the lot only without a Dwelling as determined by the Vendor at its sole discretion) by the ratio of the area of the Unpermitted Encroachment to the total area of the Property.

k) In the event the Property borders land owned by any government, utility, or railway such authority may require a fencing structure (chain link, privacy and/or acoustical) or landscaping feature to be installed within the Property line. The Purchaser is hereby notified and acknowledges and agrees that such fencing structure or landscaping feature shall be located completely within the Purchaser's Property and to maintain such fencing structure or landscaping feature, if so required, to the satisfaction of the appropriate authority. Such fencing structures or landscaping features shall be deemed

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not to be an encroachment and the Purchaser agrees to accept title to the Property and to complete the sale contemplated herein, without any abatement of the Purchase Price.

l) The Purchaser acknowledges that the concept plans displayed in the sales office and/or promotional brochures do not necessarily represent any specific block to be built by the Vendor, the Vendor has not artistically rendered all block scenarios and combinations of model types available; final block plans will feature similar but not necessarily identical architectural details; variances from block to block will reflect, amongst other things, the number of units in respective blocks, final siting combinations of actual model types within respective blocks, roof designs that evolve in conjunction with the combination of various model types constituting specific blocks, unit stepping due to grading within respective blocks and the location of required party walls and firewalls (if applicable) per respective block plan.

4.COMPLETION AND TARION (ONTARIO NEW HOME WARRANTY) INSPECTION

a) The Vendor agrees to make available, and the parties hereto acknowledge and agree that the Purchaser and/or the “Purchaser’s Designate” agrees to meet with a representative of the Vendor during the seven day working period immediately prior to Closing to inspect the Dwelling and verify that the Dwelling has been completed in accordance with the provisions of section 3(a) hereof. The Purchaser acknowledges and agrees that the Purchaser shall be entitled to a maximum of one (1) person as “Designate” to either attend the Pre-Delivery Orientation (“PDI”) together with the Purchaser or to be appointed to conduct the PDI on the Purchaser’s behalf. No other access, except with a representative of the Vendor, will be permitted and will be deemed a trespass. The Purchaser and/or the Purchaser’s Designate agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor. The Purchaser further agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser or the Purchaser’s Designate. The Purchaser is to arrange the inspection with a representative of the Vendor and is to give the representative of the Vendor at least five (5) days prior notice of the said inspection. In the event the Purchaser has chosen to send a Designate to the PDI in his/her place, the Vendor will require written authorization indicating the identity of the Designate and that the Purchaser has given the Designate authority to attend the PDI on his/her behalf and must provide the Vendor with an executed “Appointment of Designate for Pre-Delivery Inspection” form prior to the PDI. In the event of any items remaining uncompleted at the time of such inspection, only such uncompleted items shall be listed by the Vendor on the form of Certificate of Completion and Possession (“CCP”) required to be completed pursuant to the provisions of the Ontario New Home Warranties Plan Act (the “Act”), which the Purchaser or the Purchaser’s Designate covenants to execute and which Certificate of Completion and Possession SHALL CONSTITUTE THE VENDOR’S ONLY UNDERTAKING TO COMPLETE THE SAID UNCOMPLETED ITEMS AND THE DWELLING. The Purchaser agrees that such uncompleted items as are included in the Certificate of Completion and Possession represent the balance of work to be completed by the Vendor with respect to the Dwelling and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. The Purchaser further agrees that the Vendor shall have the right to enter upon the Property and Dwelling after completion of the transaction in order to complete such items as are included in the CCP. The Vendor shall complete such items as are contained in the CCP within a reasonable time after Closing, subject to weather conditions and the availability of supplies and trades. The Purchaser agrees that in no event shall the Purchaser be entitled to obtain possession of the Dwelling until and unless the Purchaser has executed the said Certificate of Completion and Possession. The warranties given under the Act replace any warranties at law or otherwise. In the event the Purchaser has omitted to execute the CCP prior to the Closing Date, the Vendor shall have the right in its sole discretion to extend the Closing Date for a further period of seven (7) days by notice in writing delivered to or mailed to the Purchaser or to his solicitor and, in the event the Purchaser has not completed an inspection and executed a CCP prior to the extended Closing Date as aforesaid, this Agreement shall, at the Vendor’s sole option, be at an end and the Purchaser agrees that the deposit monies paid by the Purchaser hereunder shall be forfeited to

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the Vendor in addition to and without prejudice to any other remedy available to the Vendor arising out of such default. The Purchaser (or the Purchaser's Designate) further agrees to have noted at the time of inspection on the CCP any damages or defects found on the Dwelling's floor coverings, kitchen and bathroom cabinetry including countertops, bathtubs, sinks, toilets and other finished plumbing (these deficiencies listed on the form will be the limit of the Vendor's repairs to these items to be completed before or within a reasonable time after Closing, subject to availability of material and trades).

b) The Purchaser acknowledges that a "Homeowner Information Package" ("HIP") is available from TARION, and that the Vendor will deliver one to the Purchaser at or before the PDI. The Purchaser covenants and agrees to execute a confirmation of receipt of the HIP forthwith upon receipt thereof from the vendor.

c) Notwithstanding anything herein written, the Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as his lawful attorney in the Purchaser's name, place and stead in order to execute Act deposit receipts, if applicable, the CCP, PDI form and the HIP, if the Purchaser fails to do so as required in this section 4 and the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor in its sole discretion during, but no limited, to any subsequent legal incapacity of the Purchaser.

5. CONVEYANCE

In the event the Vendor is unable to deliver to the Purchaser on or before Closing a conveyance of the Property free and clear of all encumbrances save as may be provided for in this Agreement, for any reason whatsoever, the Vendor at its option may require the Purchaser to pay the Vendor the balance due on Closing, which shall be deposited with the Vendor's solicitors in trust, with the interest earned to the benefit of the Vendor, and take possession of the Property on the Vendor's undertaking to deliver a conveyance in accordance with the provisions of this Agreement within such period as the Vendor may require and execute the Vendor's Occupancy Agreement. From and after the date of possession the Purchaser shall be responsible for realty taxes, water, hydro, gas and other public or private utilities. The parties further agree that upon the Vendor delivering to the Purchaser a conveyance in accordance with the terms of this Agreement, the monies held in trust shall be released to the Vendor and any further adjustments that may be required shall be made at the time of the delivery of the conveyance. The Vendor's solicitor shall undertake to the Purchaser not to release such monies to the Vendor until the Vendor has delivered a conveyance to the Purchaser in accordance with the terms of this Agreement. This transaction shall be completed on the Closing Date, on which date vacant possession of the Dwelling is to be given to the Purchaser.

6. TITLE

a) Provided the title is good and free from all encumbrances except as herein provided, and except as to building and other restrictions, and to any easement or right-of-way granted or to be granted for installation and/or maintenance of service, telecommunications, T.V. transmission system and all related and appurtenant equipment and installations, mutual driveways, and for maintenance and repair of adjoining dwellings, if applicable. Furthermore, title to the Property may be subject to encroachments by portions of the buildings located on abutting lands, including eaves, eavestroughing, 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. After Closing, if required by the Municipality or the Vendor, the Purchaser shall provide the Vendor and/or adjoining landowner with a maintenance easement over part of the Property for the maintenance of the adjoining dwelling if the Property was not subject to such easement at Closing. The Purchaser accepts legal access to the subject Property even though it may be restricted by .3 meter reserves owned by the Municipality and not yet dedicated as public highway. The Purchaser is not to call for the production of any title deeds, abstract or other evidence of title except as are in the possession of the Vendor. The Purchaser is to be allowed sixty (60) 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

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intermediate act or negotiations be void and the deposit monies shall be returned, without interest, and the Vendor and the Broker shall not be liable for any damages or costs whatsoever. Save as to any valid objection so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Property. 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, and money may be tendered by negotiable cheque certified by a Canadian Schedule "A" chartered bank. Provided further, that tender for any reason by the Vendor shall be deemed as sufficiently made when all requisite deliveries are delivered to the Purchaser's solicitor's office whether such delivery is personal, via facsimile transmission or via courier and tender shall accordingly be deemed to have been sufficiently made by the Vendor notwithstanding the non-appearance of the Purchaser or his solicitor at such date.

b) The Purchaser agrees to accept the Property subject to Municipal regulations and restrictions now or hereafter affecting the ownership or use of the Property and the Purchaser shall observe and comply with the said regulations and restrictions and with the terms and obligations imposed by the subdivision agreement. The Purchaser agrees to accept title to the Property subject to any easements or licenses for the installation of the maintenance of public or other utilities including, without limitation, telephone, hydro, gas, sewer, water and cable television, as well as any rights or easements reserved by the Vendor for maintenance purposes, drainage and roof overhangs, down/drainage pipes, footings, utility meters and other projections of the Dwelling, if necessary, on or about the Property. The Purchaser shall execute any easements required for the said purposes upon being requested by the Vendor both before and after Closing. The Purchaser acknowledges that the Deed or Transfer of the Property may reserve such rights and easements. The Purchaser agrees to accept title to the Property subject to any easements, rights of way, licenses, agreements with the local municipality, regional or county municipality or other tier of municipal government having jurisdiction with respect to future services to be installed.

c) The Purchaser acknowledges that the Vendor is not required to deliver "hard" or paper copies of the documentation pertaining to Closing of the herein transaction, draft or otherwise, to the Purchaser or the Purchaser's solicitor (the "Closing Documentation"). The Vendor or the Vendor's representatives may, at their option, deliver to the Purchaser or the Purchaser's solicitor any or all of the Closing Documentation by email.

d) 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, and the Purchaser agrees to execute and deliver on Closing a separate acknowledgment and release in favor of the Subdivider to this effect.

e) In the event any mortgages are outstanding on Closing the discharge of which is the Vendor's obligation, the Purchaser agrees to accept the Vendor's solicitor's undertaking to obtain and register the discharge of the same within a reasonable period of time after Closing in full satisfaction of the Vendor's obligation in that regard.

f) The Vendor may have agreed to acquire registered title to the Property from the Subdivider on terms set forth in a separate purchase agreement. In the event the Vendor fails to acquire title through no fault of the Vendor, this Agreement of Purchase and Sale shall be terminated, all deposit monies shall be repaid to the Purchaser without interest or deduction, and all parties hereto shall be relieved of any liability or obligation hereunder.

g) The Purchaser agrees to provide the Vendor's Solicitor with a written direction as to whom title is to be conveyed 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. The Agreement and the Purchaser's rights hereunder are subject and subordinate to i) any mortgage approval arranged by the Vendor and any advances from time to time there under, ii) any agreement entered into by the Vendor with any public utility or any municipal or other governmental authority having jurisdiction relating to the development and/or servicing of the Property. The Purchaser acknowledges and agrees that the purchase of the Dwelling "in trust" for another party is prohibited.

h) The Purchaser agrees to forthwith upon request do all acts and execute and deliver all documents, both before and after Closing, as may be required by the Vendor or the relevant the Municipality in connection with the acceptance of the subdivision as a whole by the Municipality.

i) In the event that this Agreement provides for any event to occur on a date which is Saturday, Sunday or a statutory

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holiday, such event shall occur on the first business day immediately thereafter.

j) Keys will be released to the Purchaser at the construction site or the sales office or the head office of the Vendor, as the Vendor in its absolute discretion determines, unless otherwise specifically agreed in writing between the Vendor and the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick-up the keys by three o'clock (3:00) pm on that day, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" shall mean Monday to Friday excluding Statutory holidays in the province of Ontario). 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.

k) The Purchaser acknowledges and agrees that the Vendor shall have the right to request from the Purchaser at any time and from time to time mortgage approval/qualification information signed by a lending institution or other mortgagee acceptable to the Vendor confirming that the said lending institution or mortgagee acceptable to the Vendor will be advancing funds to the Purchaser sufficient to pay the balance due on Closing. This information will be required no later than ten (10) days after such Vendor request and the Purchaser covenants to provide such information within this timeframe; the first such request is due within ten (10) days of the date of this purchase. The Purchaser further covenants that it shall be the sole responsibility of the Purchaser to deliver to the Vendor an update to such information within ten (10) days of a change (including, but not limited to when approvals provided to the Vendor have expired or been cancelled) to permit the Vendor to assess the Purchaser's ongoing ability to complete the purchase of the Dwelling on a timely basis. Any breach of the foregoing shall constitute a breach of these covenants which shall, at the Vendor's sole option, entitle the Vendor to rely on its remedies in section 8(a) and without prejudice to any other remedy available to the Vendor arising out of such default and the Purchaser shall have no further right to or interest in the Property.

l) If on or after registration of the plan of subdivision and any subsequent subdivision or reference plan, the lot number and/or the municipal address of the Property are changed, the Purchaser agrees to accept such variation in lot number and/or municipal address and this Agreement shall be read with all amendments required thereby.

m) The Purchaser warrants that they are not a non-Canadian within the meaning of the Prohibition on the Purchase of Residential Property by Non-Canadians Act.

n) The Purchaser acknowledges (i) that certain equipment within the Property which may include the hot water tank/heater, air conditioner, furnace (the "Equipment") may be non-owned, at the sole discretion of the Vendor (ii) the terms governing the lease/rental for the Equipment will be provided by the Vendor prior to closing and the Purchaser may be required to execute a lease/rental document containing the terms prior to closing; and (iii) the terms of the lease/rental may contain a buy-out option allowing the Purchaser to purchase the Equipment if desired.

7.AFTER CLOSING

a) In the event that after taking possession of the Dwelling, the Purchaser shall complete and/or install any additions, alterations and/or improvements such as, but not limited to:

(i) porches, patios, plantings, paved driveways or fences are located within six (6) feet of an external wall, the Purchaser will remove such addition and/or improvements prior to the Vendor taking any corrective actions which it is required to take; and

(ii) finishing the basement, wallpapering, cabinetry and/or mouldings and/or finishing's, the Purchaser shall be required to remove such improvements, additions or alterations at his own expense, in the event that the Vendor shall be required to carry out any repairs or replacements to the Dwelling in the area of such improvements, additions or alterations.

The Purchaser acknowledges that none of such additions, alterations and/or improvements are covered by TARION warranties.

b) The Purchaser acknowledges that grading and sodding shall be done between June and October (weather permitting and subject to availability of supplies) of any year as per the Vendor's scheduling program. The Purchaser agrees that he shall be solely responsible for watering and general maintenance of sod from the Closing Date or from the date that sod is laid, whichever shall be the latter, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for

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any reason, required to replace laid sod, the Vendor shall not be obligated to do so until payment has been made therefore 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.

c) The Purchaser shall occupy the Dwelling forthwith after Closing. The Purchaser agrees not to finish the whole or any part of the basement of the Dwelling for a period of twenty-four months after the Closing Date or such longer period which is equivalent to the warranty period under the Act for basement repairs. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of water damage to improvements and chattels or damage caused by remedying of any deficiencies or warranted items, including any consequential damages arising there from.

d) The Purchaser acknowledges that the Vendor has a master key for the subdivision and in the event that the Purchaser wishes to change any locks, he may do so, at his own expense, any time after Closing.

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

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

g) The Purchaser agrees that after Closing, if required by the Municipality or any public utility such as the local hydro-electric authority, gas company or Bell Canada, he will grant an easement for the installation and maintenance of sewers, water mains, lines or any other similar installations.

8. BREACH OF CONTRACT

a) Any breach by the Purchaser of any of the provisions of this Agreement shall entitle the Vendor, in addition to any rights or remedies that the Vendor may have in law or otherwise, to give notice to the Purchaser declaring this Agreement null and void, whereupon all deposit monies paid hereunder, and any monies paid for extras, shall be forfeited to the Vendor as liquidated damages and not as a penalty. In addition to any other rights of the Vendor under the Agreement, in the event the Purchaser defaults in any of its obligations under this Agreement, the Vendor reserves the right to accelerate the payment of all deposits by delivering written notice upon the Purchaser to pay the balance of these deposits which shall be paid within two (2) business days of the Vendor's demand thereof, failing which the Vendor reserves all remedies set forth in this Agreement.

b) The Purchaser represents to the Vendor upon which representation the Vendor has relied in accepting the Purchaser's offer that the Purchaser is purchasing the property for their own personal use and not for short term speculative purposes. Prior to Closing, the Purchaser covenants not to offer, list or advertise for sale, lease or transfer the Property, nor to sell, lease, assign or transfer their interest under this Agreement of Purchase and Sale until after acquisition of title to the Property after the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be arbitrarily and/or unreasonably withheld. As a condition of giving its consent, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement attached as Schedule J and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee \$10,000.00 plus Applicable Taxes together with any other applicable fees and \$1000 plus Applicable Taxes, the Vendor's solicitor's fees and disbursements plus Applicable Taxes. Notwithstanding such assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list, allow or cause to be listed the Property for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("MLS") or on, by or through any other publication or medium. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement of Purchase and Sale, effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor,

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whereupon the provisions of this Agreement of Purchase and Sale dealing with the consequence of termination by reason of the Purchaser's default, shall apply.

The Purchaser will not at any time prior to completing this transaction, register this Agreement, or any notice thereof, whether by caution or otherwise, or register a notice of Purchaser's lien against the Property. Any breach of the foregoing 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 in addition to and without prejudice to any other remedy available to the Vendor arising out of such default and the Purchaser shall have no further right to or interest in the Property. By execution of this Agreement, the Purchaser hereby irrevocably appoints the Vendor as the Purchaser's lawful attorney to execute any documents required, to have any document registered by the Purchaser in violation of this section, to be removed, discharged and deleted from title.

c) No waiver by the Vendor of any breach of covenant or default in the performance of any obligations hereunder or any failure by the Vendor to enforce its rights herein shall constitute any further waiver of the Vendor's rights herein, it being the express intent of the parties that any waiver or forbearance enforcing its rights by the Vendor shall apply solely to that particular breach or failure. The sole case of action which the Purchaser may have arising out of this Agreement shall lie in damages as against the named Vendor herein only (any not against any director, officer or shareholder of the Vendor or any other person, firm or corporation).

9. UNLAWFUL WORKS

a) In the event that the Purchaser shall without the consent in writing of the Vendor, enter upon the Property and carry out changes or additions to the Dwelling (the "Unlawful Works") being constructed by the Vendor, the Purchaser will forthwith pay to the Vendor the amount incurred by it in order to correct any damages caused by the installation of existence of the Unlawful Works including, without limiting the generality of the foregoing, time lost by the resulting delays and interest on monies invested, and at the Vendor's option it may declare this Agreement of Purchase and Sale null and void. In addition to the foregoing, if the Unlawful Works shall be determined by any inspector having jurisdiction in that regard as not complying with the statutes, by-laws or regulations applying thereto, the Purchaser shall forthwith carry out any required work to remedy any such non-compliance and failing which, at its option may carry out such work at the expense of the Purchaser which he shall pay to the Vendor forthwith upon written request for payment for same and/or at the option of the Vendor, it may declare this Agreement of Purchase and Sale null and void. The Purchaser agrees that anything constructed by the Vendor which is not accessible due to the Unlawful Works shall not be covered by the "Act".

b) In the event that the Vendor shall choose the option as set forth above to declare the Agreement null and void, it shall be entitled to retain the Purchaser's deposit paid and the value of the Unlawful Works. The parties agree that the damages which may be suffered by the Vendor as a result of the Unlawful Works cannot be assessed monetarily and the retention of the deposit and Unlawful Works shall be deemed to be liquidated damages and not a penalty.

THE PURCHASER ACKNOWLEDGES THAT THE UNLAWFUL WORKS SHALL NOT BE COVERED BY TARIION WARRANTIES.

c) The Purchaser covenants and agrees that it will not be entitled nor permitted to enter upon the Property prior to the Closing Date to supply any material and/or to perform any work or labour to or on the Dwelling or Property respectively. The Purchaser further covenants and agrees that the Vendor will not contract for the supply and installation of extras to the Dwelling to be constructed other than by way of written contract on a specific form supplied by the Vendor for that purpose within fourteen (14) days of the acceptance of this Agreement of Purchase and Sale. The Purchaser shall indemnify and save the Vendor, its servants and agents harmless from all actions, causes of action, claims and demands for, upon or by reason of any damage or injury to person or property of the Purchaser of 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 authorization, express or implied, of the Vendor.

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10.CONTRACT

a) This offer is to be read with all changes of gender or number required by the context and, when accepted, shall constitute abinding 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 constituted 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 here from 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. Except as contained in this Agreement, this Agreement may not be amended other than in writing. In the event there is a conflict between any term(s) in this Agreement, the Vendor shall determine which conflicting term(s) prevail(s). The Purchaser acknowledges and agrees that the covenants and obligations of the Vendor contained in this Agreement shall be those of the Vendor only and should the Vendor represent or act as trustee or agent on behalf of a beneficiary or principal (whether disclosed or undisclosed) in executing this Agreement, such beneficiary or principal shall have no liability under this Agreement, such liability being restricted to the Vendor only. All buildings and equipment shall be and remain at the Vendor’s risk until Closing. In the event of any damage to the Dwelling, however caused, the Vendor shall be entitled to the insurance proceeds payable under any insurance policy coverage on the Dwelling. The 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.

b) The marginal notations or headings in this Agreement are for convenience of reference only and have no bearing or meaning in the interpretation of any particular clause in 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.

c) The Purchaser acknowledges that the new home industry is multi-faceted and complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new home, they cannot be expected to know all aspects in detail or as they pertain to the individual circumstances of the Purchaser. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser, upon which the Purchaser relies, and which were essential to the Purchaser’s decision to purchase this Property, except as are set forth herein in writing. There is no representation, warranty, collateral agreement or condition affecting this Agreement or the Property, or supported hereby, except as set forth hereto in writing. The Purchaser is encouraged to have this Agreement reviewed by the Purchaser's lawyer prior to signing this Agreement.

11.SUBDIVISION AGREEMENT REQUIREMENTS

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

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Purchaser agrees to accept title to the Property subject to any Certificates of Property Use and Notice Requirements of the Ministry of Environment provided that the Vendor or the Property as the case may be is in compliance thereof.

b) 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 or with regard to the lands adjacent to or near the lands laid down by the 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.

c) The Purchaser acknowledges that the subdivision agreement entered into between the Subdivider and the Municipality may require the Vendor to provide the Purchaser with certain notices ("Notices") and warning ("Warnings"), including, but not limited to, restrictions regarding the use of the Property, 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, sidewalk locations, the location of "super mailboxes", and in general, any other matter that may be deemed by the Municipality to inhibit and/or effect the enjoyment by the Purchaser of this Property. In the event the subdivision agreement is not registered as of the date of acceptance of this Agreement, and therefore the Notices/Warnings are not yet available, or if after they are available, they are amended by the Municipality, or are inadvertently omitted or misquoted by the Vendor herein, and if the Municipality requires the Purchaser to receive a copy of the Notices/Warning, then a copy of the Notices/Warnings as revised as necessary, shall be mailed to the Purchaser's address as shown on this Agreement or to the Purchaser's solicitor by no later than the Closing Date and such mailing shall be deemed to constitute appropriate notification. The Purchaser agrees to be bound by the contents of any such Notices/Warnings and covenants to execute forthwith upon request, an acknowledgement containing such Notices/Warnings if and when requested to do so by the Vendor.

12.COLOUR AND MATERIAL SELECTION

a) Wherever in this Agreement the Purchaser has the right to choose colors or materials, he shall do so within ten (10) days after notification by the Vendor and the Purchaser shall make his selection of such colors and/or materials, whatever the case may be, from the Vendor's samples and list same on the Vendor's color selection form.

b) In the event that the Purchaser shall desire to select colors or materials from other than the Vendor's samples, he must negotiate such colors or materials directly with the Vendor or the Vendor's subtrade or supplier as directed by the Vendor and attend to payment of any additional cost as a result of such choice to the Vendor or the Vendor's subtrade or supplier directly, as directed by the Vendor.

c) In the event that the Purchaser shall have made a choice of colors and/or materials from either the Vendor's samples or otherwise as aforesaid and because of lack of supply the installation of such color choice and material cannot be completed in accordance with the Vendor's construction schedule, the Purchaser shall choose alternate colors and materials within three (3) days and in the event the Purchaser fails to make an alternate selection as aforesaid, the Vendor shall have the option of choosing the colors and materials and the Purchaser shall be obligated to accept same.

d) In the event that by the Closing Date the installation of the selected colors and upgraded materials or other work to be performed by the Vendor or its subtrade(s) has not been completed, and as a result thereof the Dwelling has not been completed, then the Purchaser shall, notwithstanding such incomplete work, complete the transaction on the Closing Date and shall pay the full amount required to be paid on Closing in accordance with this Agreement, notwithstanding that an occupancy permit may not be available as a result thereof.

e) In the event that the Purchaser shall not have made his selection within ten (10) days after notification by the Vendor or an extended date acceptable to the Vendor, then the Vendor shall have the option of choosing the colors and materials for and on behalf of the Purchaser and the Purchaser agrees to accept same.

f) In the event that the Purchaser has installed or has requested the Vendor to install a different floor covering than that which the Vendor would normally install in the Dwelling, then the Purchaser agrees that if any defects should come to light for which the Vendor is normally responsible and repairs to which require the removal of the said floor covering, the

Vendor Initials

Purchaser Initials

Vendor will not be responsible to effect such repairs. For purposes of this Agreement “floor covering” shall mean any type of finished floor covering which is normally placed on the sub-floor and without limiting the generality of the foregoing, shall include tile, hardwood, marble, terrazzo and carpet. The Purchaser further agrees to accept all transition strips used by the Vendor in its absolute discretion to bridge different flooring materials due to their inherent thicknesses (i.e., tile, hardwood, and carpeting).

g) Where omissions occur on the original color selection sheet, the Purchaser acknowledges that selection by the Vendor will be final. The parties agree that the original color selection sheet will be deemed to form part of this Agreement.

Upgrades listed on a standard color chart and/or an upgrade/revisions form will not be deemed to be part of the Agreement.

i) The Purchaser agrees that if after having made the original color selections the Purchaser does make a change erroneously or otherwise, he will be deemed responsible for all errors resulting from any such errors or double selections. The Purchaser further agrees that if the Purchaser selects an upgrade contained in the standard color chart that is not included in the Purchase Price, or has not previously been paid as an extra, on Closing, the Purchaser shall pay for the upgrade at a price determined by the Vendor acting reasonably and the Vendor is not required to install any such upgrade or extra if unpaid.

j) The Purchaser further agrees that in the event that the Vendor has preselected colors prior to the purchase of the Property, the prescribed colors shall be final notwithstanding that the Purchaser may have completed a color selection/chart.

k) The Vendor expressly makes no representation, warranty, guarantee or collateral agreement with respect to workmanship or materials relating to the construction of the Dwelling or any of the Vendor’s finishing’s supplied and installed in the Dwelling except for those warranties deemed to be given by the Vendor of a residential home as set out in the Ontario New Home Warranties Act. In satisfaction of such warranties, the Vendor may provide the Purchaser with the full benefit of any warranties or guarantees obtained by it from manufacturers or suppliers of any home appliances sold to the Purchaser as part of this transaction, to the extent it is able to do so pursuant to the terms of such warranties or guarantees, and the Purchaser agrees to accept such warranties and guarantees in lieu of any other warranties or guarantees, expressed or implied, at equity or at law.

13.VENDOR’S AGENTS

a) The Purchaser acknowledges having purchased the Dwelling on the basis of plans viewed at the sales office and not from a model home. The Purchaser acknowledges that the contract will consist of only those items listed on Schedule “A”. Notwithstanding anything herein written, if at the time that this Agreement is executed, the Dwelling constructed on the Property has already been substantially completed, the Purchaser shall purchase the Property in an “as built” condition rather than in accordance with any other representations contained herein. The Vendor upon notice to the Purchaser reserves the right to unilaterally advance the Closing if the Dwelling is substantially completed before the stated and agreed Closing Date.

b) The Purchaser acknowledges that the new home industry is multi-faceted and complex and that while sales representatives are knowledgeable about most issues regarding the purchase and construction of a new home, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser, upon which the Purchaser relies, and which were essential to the Purchaser’s decision to purchase this Property, except as are set forth herein in writing. 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 is encouraged to have this Agreement reviewed by the Purchaser’s solicitor and/or seek tax advice prior to signing same. Failure to do so will be at the sole option of the Purchaser.

c) The Purchaser confirms, acknowledges and consents to the fact that the Vendor’s agent or any other representative or agent of the Vendor acts as an agent only for the Vendor and will be compensated only by the Vendor. The Purchaser hereby acknowledges that the listing broker (the “Broker”) represents the interests of the Vendor and the Purchaser, and

Vendor Initials

Purchaser Initials

there has been, and is, dual agency. The Vendor and the Purchaser acknowledge and consent to such dual agency and release the Broker of duty of confidentiality regarding the transaction.

14. TARION

- a) **DISCLOSURE:** Purchasers should note that the Agreement may contain provisions about some or all of the following:
- (i) There may be rights or conditions by which the Vendor may terminate this Agreement regardless of whether or not the Purchaser is in default;
 - (ii) It may be a condition of closing that the Purchaser be approved by mortgage lender(s);
 - (iii) The rate payable on any mortgage in the Agreement may be subject to increase;
 - (iv) The Vendor may have the right to alter plans and specifications or substitute materials without notice;
 - (v) The purchase price in the Agreement may be increased or adjusted by certain additional costs or charges. (In addition, purchasers are advised that on Closing and registration, certain fees and taxes will be payable to the Province of Ontario);
 - (vi) If the Purchaser cannot identify or understand any of these provisions the Purchaser should discuss them with the Vendor or salesperson.; and
 - (vii) The Purchaser is advised to consult a solicitor before signing the Agreement.
- b) **PLANNING STATUS:** The current planning status of the land is:
- (i) if the land in the Agreement is within a Plan of Subdivision, the Plan of Subdivision IS NOT YET REGISTERED; and
 - (ii) A building permit for construction of the Dwelling IS NOT YET AVAILABLE for issuance by the Municipality after application has been submitted and all municipal review completed.
- c) **ONTARIO NEW HOME WARRANTIES PLAN:**
- (i) The Ontario New Home Warranties Plan registration number 47833; and
 - (ii) The enrolment number for the Dwelling will be provided at the time of the Pre-Delivery Orientation.
- d) **BUILDER**
- (i) For further information about this Agreement and your home, the Vendor may be contacted at: 80 Micro Court, Markham, ON, L3R 9Z5(Telephone 905-513-7999, Fax 905-513-6667); and
 - (ii) It is recommended that the Purchaser contact the Vendor prior to the Closing Date to determine that construction is proceeding on schedule and that Closing may occur on time.
- e) **EXTENSION AND TERMINATION**

The Vendor shall take all reasonable steps to construct the Dwelling without delay. If the Vendor cannot close the transaction by the Closing Date, any extensions taken will follow the rules outlined by the Tarion addendum. The Tarion addendum, including the accompanying “Statement of Critical Dates” forms part of the Agreement. It 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. If there are any differences between the provisions in the Addendum and the Agreement, then the Addendum provisions shall prevail. Prior to signing the Agreement or any amendment to it, the Purchaser should seek advice from a lawyer with respect to the Agreement or amending agreement, the addendum and the delayed closing warranty. For further information about anything contained in the Tarion addendum or about the warranties available to purchasers under the Ontario New Home Warranties Plan Act, please contact the Ontario New Home Warranty Program, toll free, at 1-888-463-6466 during regular business hours, Monday through Friday.

15. ELECTRONIC REGISTRATION

In the event that the electronic registration system (hereinafter referred to as the “Electronic System” or ERS”) is operative in the applicable Land Registry Office in which the Property is registered, then at the option of the Vendor’s solicitor, the following provisions shall prevail, namely:

Vendor Initials

Purchaser Initials

a) the Purchaser shall be obliged to retain a lawyer 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. The Purchaser shall reimburse the Vendor as an adjustment on Closing for any additional legal costs the Vendor may incur to complete this transaction under ERS;

b) the delivery and exchange of documents and monies for the Property and the release thereof to the Vendor and the Purchaser, as the case may be:

- (i) shall not occur contemporaneously with the registration of the transfer/deed (and other registerable documentation); and
- (ii) shall be governed by the Escrow Document Registration Agreement, pursuant to which the solicitor receiving the documents and/or certified funds will be required to hold same in escrow, and will not be entitled to release same except in strict accordance with the provisions of the Escrow Document Registration Agreement.

c) if the Purchaser's lawyer is unwilling or unable to complete this transaction via ERS, in accordance with the provisions contemplated under the Escrow Document Registration Agreement, then said lawyer (or the authorized agent thereof) shall be obliged to personally attend at the office of the Vendor's solicitor at time of the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via ERS utilizing the computer facilities in the Vendor's solicitor's office;

d) the Purchaser expressly acknowledges and agrees that he will not be entitled to receive the transfer/deed to the Property for registration until the balance of funds due on Closing, in accordance with the statement of adjustments, are either remitted by certified cheque via personal delivery or if agreed to by the Vendor's solicitor, by electronic funds transfer to the Vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the transfer/deed for registration;

e) each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the Property shall be delivered to the other party hereto on or before the Closing Date and each party shall pay all costs of registration of their respective documentation; and

f) notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by the Vendor upon the Purchaser when the Vendor's solicitor has:

- (i) delivered all Closing documents and/or funds to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement;
- (ii) advised the Purchaser's solicitor, in writing, that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
- (iii) has completed all steps required by ERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor, and 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 and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

16.DELIVERY OF DOCUMENTS

a) Any notice relating hereto or provided for herein shall be in writing. This offer, any counteroffer, notice of acceptance thereof, or any notice shall be deemed given and received, when hand delivered or sent by email, fax, courier or registered mail to the address for service provided herein. Written notice given by one of the means identified in this section is deemed to be given and received in accordance with paragraph 15(b) of the Tarion Addendum, provided that in respect of electronic transmission, the sender does not receive notification that the transmission did not go through.

b) The Purchaser shall advise the Vendor of any changes in any of its mailing address, telephone number or electronic

Vendor Initials

Purchaser Initials

mail address or the contact details of his solicitor forthwith upon such change, failing which the Purchaser shall be charged a fee of \$250.00 plus applicable taxes on the statement of adjustments.

c) If the Purchaser comprises one person and should die prior to Closing, the Vendor shall at its option be entitled to declare this Agreement null and void and upon so doing return all monies paid on account of the Purchase Price hereunder to the personal representative of the Purchaser without interest or deduction other than the cost of putting the premises back to its original state, excepting reasonable wear and tear and excepting any extras ordered by the Purchaser. If the Purchaser comprises more than one individual, then all individuals comprising the Purchaser shall be deemed and construed to have acquired the Dwelling on joint account with right of survivorship and accordingly, should any of the individuals comprising the Purchaser die prior to Closing, the Vendor is hereby authorized and directed to engross the deed/transfer in the name of the surviving individual(s) comprising the Purchaser, without requiring probate of the deceased individual's last will and testament. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Purchaser.

d) Where the Purchaser is a corporation, the execution of this Agreement by the principal(s) of such corporation shall be deemed and construed to constitute the personal guarantee of such person(s) so signing with respect to the obligations of the Purchaser herein, and such person(s) shall also correspondingly be obliged to unconditionally guarantee any mortgage(s) required to be given by the Purchaser on Closing in accordance with the provisions hereof.

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

Vendor Initials

Purchaser Initials

SCHEDULE X1 – NON-CANADIANS

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

Purchaser:	Purchaser:		
Additional Purchasers:			
Vendor: CARAT HOLDINGS INC.			
Model Type:	Model Name:	SQ.FT:	Elevation:
Site Plan Lot #	Block #		
Materials, specifications and floor plan sketches are subject to change without notice. All house renderings are artist's conceptions. All floor plans are approximate dimensions. Actual usable floor space may vary from the stated floor area. E.&O.E.			

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

Vendor Initials

Purchaser Initials

7. On the Closing Date, the Purchaser shall cause the Purchaser's solicitor to deliver to the Vendor's solicitor such documentation as the Vendor may request to confirm that the covenants, warranties, and representations contained herein were true and accurate as at the date the Purchaser executed this Agreement of Purchase and Sale (and this Schedule) and continued to be true and accurate up to and including the Closing Date.

PREVIEW

Vendor Initials

Purchaser Initials

**Freehold Form
(Tentative Closing Date)**

Property _____

Statement of Critical Dates
Delayed Closing Warranty

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

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

VENDOR

Full Name(s)

PURCHASER

Full Name(s)

1. Critical Dates

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

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: _____

**Freehold Form
(Tentative Closing Date)**

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

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

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

The Vendor shall complete all blanks set out below.

VENDOR

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

PURCHASER

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

PROPERTY DESCRIPTION

Municipal Address _____
City _____ Province _____ Postal Code _____
Short Legal Description _____
Number of Homes in the Freehold Project _____ (if applicable – see Schedule A)

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

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

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

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

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

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

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

Freehold Form (Tentative Closing Date)

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

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

2. Changing the Firm Closing Date – Three Ways

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

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

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

4. Changing Critical Dates – By Mutual Agreement

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

Freehold Form (Tentative Closing Date)

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

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

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

5. Extending Dates – Due to Unavoidable Delay

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

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

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

**Freehold Form
(Tentative Closing Date)**

Condition #1 (if applicable)

Description of the Early Termination Condition:

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

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

Condition #2 (if applicable)

Description of the Early Termination Condition:

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

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

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

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

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

Freehold Form (Tentative Closing Date)

MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

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

8. Adjustments to Purchase Price

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

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

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

Freehold Form (Tentative Closing Date)

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

10. Termination of the Purchase Agreement

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

11. Refund of Monies Paid on Termination

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

12. Definitions

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

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

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

Freehold Form (Tentative Closing Date)

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

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

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

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

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

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

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

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

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

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

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

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

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

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

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

**Freehold Form
(Tentative Closing Date)**

15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

**Freehold Form
(Tentative Closing Date)**

SCHEDULE A

Types of Permitted Early Termination Conditions

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

(a) upon receipt of Approval from an Approving Authority for:

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

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

(b) upon:

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

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

(c) the following requirements apply with respect to the conditions set out in subparagraph 1(b)(i) or 1(b)(ii):

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

2. The following definitions apply in this Schedule:

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

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

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

3. Each condition must:

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

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

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

SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

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

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

PREVIEW

**Freehold Form
(Tentative Closing Date)**

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

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

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

PREVIEW

Warranty Information for New Freehold Homes

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

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

The Pre-Delivery Inspection (PDI)

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

The PDI is only one piece of evidence relating to damaged or incomplete items, and you should note and document (e.g. via photos or video) any concerns or damaged items as soon as you notice them after taking possession if they were missed on your PDI. If the damaged items are not addressed by your builder, you can include them in your 30-Day Form to Tarion. Damaged items are covered under the warranty if the damage was caused by the builder or their trades. There is more information about the PDI here: <https://www.tarion.com/homeowners/homeowner-resources-hub>

Deposit Protection

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

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

Delayed Closing Coverage

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

Warranty Coverage

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

One-Year Warranty

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

Two-Year Warranty

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

Seven-Year Warranty

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

Warranty Exclusions

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

Construction Performance Guidelines

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

Important Next Steps

1. Visit Tarion's website to learn more about your warranty coverage and the process for getting warranty assistance, as well as your rights, responsibilities, and obligations as a new homeowner.
2. Prepare for your pre-delivery inspection (PDI). Visit Tarion's website for helpful resources, including a PDI Checklist and educational videos.
3. Register for Tarion's **MyHome** right after you take possession. MyHome is an online tool you can use from your computer or mobile device that allows you to submit warranty claims and upload supporting documents directly to your builder and Tarion. It also alerts you to important dates and warranty timelines, allows you to receive official correspondence from Tarion electronically, and schedule an inspection with Tarion when you need assistance.

About Tarion

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

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

PREVIEW