Agreement of Purchase and Sale

OFFER 1. Through ____________________6H Realty Inc.__________________, as agent for the Vendor, ____, ("the Purchaser") hereby offers to purchase the proposed Lot / Part of Lot _____ Plan 40M-2711 as shown on the attached plan, in the Town of Scugog (the "Real Property"), which Real Property shall include the house to be constructed thereon pursuant to this Agreement, including those features described in Schedules "A" and "B", (collectively the "Dwelling"), being type .____ Elevation ______, from 1000023488 Ontario Inc (the "Vendor") on the terms and conditions contained in this Agreement, for $________________________(the "Purchase Price") payable:

(a) By payment of $_____________________to the Vendor by cheque, payable from the date of this Offer and/or deposit payments dated as set forth;

Date: ____________________ Amount: $______________________

Date: ____________________ Amount: $______________________

Date: ____________________ Amount: $______________________

Date: ____________________ Amount: $______________________

Date: ____________________ Amount: $______________________

Date: ____________________ Amount: $______________________

(b) By payment of the balance of the Purchase Price, as adjusted pursuant to Paragraph 8, to the Vendor on Closing by bank draft or cheque certified from a Canadian Chartered Bank, trust company or credit union.

SCHEDULES AND ADDENDUM 2. Schedule(s) 1, 2, 3, A, B, C, D, F, G, H, and N-C attached to this Agreement form a part of the Agreement (collectively "the Schedules"). The TARION Warranty Corporation's ("TARION") 'Warranty Information for New Freehold Homes', 'Statement of Critical Dates' and Addendum to Agreement of Purchase and Sale (the "Addendum"), together with the appendix to the Addendum containing Additional Early Termination Conditions (if appended thereto) are attached to this Agreement and form a part of the Agreement. The Purchaser confirms it has read and agrees to be bound by the Schedules, the Statement of Critical Dates, the Addendum and the appendix to the Addendum containing Additional Early Termination Conditions (if appended thereto).

CLOSING 3. The date that this Agreement is to be completed (the "Closing") is defined in the Statement of Critical Dates and Addendum.

ACCEPTANCE 4. This offer shall be irrevocable by the Purchaser until 11:59 P.M. on _________________________, after which time, if not accepted, this offer shall be null and void. If accepted, this offer shall constitute a binding Agreement of Purchase and Sale.

SIGNED, SEALED AND DELIVERED on ____________________________,

Purchaser ____, Purchaser ____

Name: Name:

The Vendor hereby accepts the above offer, DATED on ___________________________

Per: ____________________________________

Authorized Signing Officer

Vendor: 1000023488 Ontario Inc	**Purchaser Address:**
Address: 17075 Leslie St Unit 6, Newmarket ON L3Y 8E1	
	Tel:
Tel: 905-657-9184	**Tel:**
Fax:	**Email:**
Email: office@twelvestone.ca	**Email:**

Vendor's Solicitor HHL Law Firm	Purchaser's Solicitor
Gordon H. Hunter	
Address 17360 Yonge St. Suite 200	Address
Newmarket, ON, L3Y7R6	
Tel: 905-895-1007	Tel:
Fax: 905-895-4064	Fax:
Email:	Email:

SCHEDULE "1"

DEFINITIONS

5. Within this agreement:
   (a) "Developer": means any predecessor in title to the Real Property who has entered into obligations with the Municipality for subdivision or servicing of the Real Property or any other party who may otherwise have the right as between it and the Vendor over architectural control of the Dwelling.
   (b) "Municipality": means any municipal corporation, whether local or regional, having jurisdiction over the Real Property.
   (c) "Levy" or "Levies": means all levies, developmental charges, education development charges, parkland levies or any impost or other charges imposed by a Municipality or private or public utility corporation in respect of the Real Property.

FINANCING

6. Within 20 days after the execution of this Agreement, the Purchaser shall deliver to the Vendor:
   (a) a mortgage preapproval or a mortgage commitment from a bank, trust company, or other financial institution; or
   (b) evidence from a bank, trust company, or other financial institution, indicating that the Purchaser has sufficient funds and is able to close this transaction without registering a mortgage against the Real Property. If the Vendor determines in its sole and unfettered discretion that the evidence provided to its pursuant to Paragraph 6(b) is insufficient or not acceptable for the purposes of Closing, the Purchaser shall deliver a mortgage commitment for at least 75% of the Purchase Price to the Vendor within 20 days of request.

7. The Purchaser acknowledges and agrees that the failure of the Purchaser to deliver the documentation described at Paragraph 6 within the time periods described therein, shall be considered a material default of this Agreement.

ADJUSTMENTS AND DEPOSITS

8. The Purchase Price shall be increased or adjusted as of Closing or deposits paid as set out in sections (a) through (l), inclusive, of Schedule "2" ADJUSTMENT AND DEPOSITS.

   The date of Closing itself shall be apportioned to the Purchaser. If there are any chattels involved in this transaction, the allocation of value of such chattels shall be estimated where necessary by the Vendor and retail sales tax may be collected and remitted by the Vendor.

   The Purchaser agrees to pay after Closing any charges for water, hydro, fuel, and other services. The Parties agree to readjust any of the items in Schedule "2" where appropriate after Closing.

MODIFICATIONS AND PLANNING ACT COMPLIANCE

9. The parties shall accept minor modifications which the Developer or Municipality may require, including walkouts, narrowed driveway entrances, decks, side porches, or a reverse layout (mirror image). If the Real Property is a lot on a plan of subdivision which has not yet been registered, lot sizes or dimensions are also subject to change without notice provided they are not substantially varied.

   This Agreement is conditional upon the Vendor obtaining compliance at its own expense with the subdivision control provisions (Section 50) of the Planning Act.

CONSTRUCTION, COLOUR SELECTIONS, AND EXTRAS

10. The Vendor agrees that it will complete the Dwelling in accordance with the plans and specifications available for viewing by the Purchaser at the Vendor's sales office. All work will be performed in a workmanlike manner, free from defects in material and in compliance with the Ontario Building Code. All Construction Lien Act claims for materials or services supplied to the Vendor shall be the responsibility of the Vendor. Notwithstanding the foregoing the Vendor may substitute other materials of at least equal quality for those specified and may alter the plans and specifications, provided that such substitution shall not materially diminish the value of the Real Property of substantially alter the Dwelling.
    If the stage of completion of the Dwelling permits, the Purchaser may be requested by the Vendor to select certain colours and materials from the Vendor's samples. If any selection of the Purchaser is not reasonably available during construction so that the Vendor is seeking to obtain it would be delayed in the construction of this or other dwellings, the Vendor shall notify the Purchaser and provide an opportunity to the Purchaser to make or approve an alternate selection of at least equal quality from the Vendor's samples. If the Purchaser has not made or approved selections within ten (10) days of written request by the Vendor, or as set out in any schedule of this Agreement, in the case of original selections, or ten (10) days of written request in the case of an alternate selection, the Vendor may exercise all of the Purchaser's rights to colour and material selection and such selections by the Vendor shall be binding on the Purchaser.
    Extras and upgrades shall be paid for in advance, together with applicable HST, and such payment shall not be refunded if this transaction is not completed by reason of the Purchaser's default. If this Agreement is ended in circumstances in which the Deposit is to be returned to the Purchaser, any amount paid for extras shall also be returned. If an extra or upgrade is omitted, the Purchaser shall be credited with the amount which the Purchaser was charged for it and this credit shall be the limit of the Vendor's liability.

    The Purchaser will not enter the Real Property unless the Purchaser makes an appointment with the Vendor for a mutually agreeable time. Appointments are subject to the viability of a visit due to the stage of construction and/or concern for the Purchaser's safety at the Vendor's sole discretion. The Purchaser will be accompanied by a representative of the Vendor at all times during any visit. When entering the Real Property, the Purchaser agrees to abide to the Occupational Health and Safety Act regulations including safety gear for head and foot or any other apparel as required by the Vendor.

    The Purchaser hereby acknowledges and agrees that the hot water heater and the propane tank to be installed will be a rental unit, rented from the Vendor's Supplier of choice (the "Supplier") and as such are not included in the Purchase Price. By entering into this Agreement of Purchase and Sale the Purchaser acknowledges and accepts that it will enter into a rental contract with the Supplier pursuant to the Supplier's standard terms and rates, as agreed upon with the Vendor, and herby constitutes the Vendor, to the extent required, to act as its fully indemnified agent for the limited purpose of doing so.

OCCUPANCY & COMPLETION

11. For the purpose of Closing, the Dwelling shall be deemed to be completed when all interior work has been substantially completed so that the Dwelling reasonably may be occupied, notwithstanding that there may remain exterior work to be completed including, but not limited to, painting, driveway, grading, sodding, and landscaping. There shall be no holdback or deduction on Closing for uncompleted work. The requirement that the Vendor deliver evidence to the Purchaser that the Dwelling is ready for occupancy prior to Closing is described at Paragraph 9 of the Addendum.

TARION WARRANTY CORPORATION

12. (i) The parties hereto agree that the Purchaser or the Purchaser's designate (being a person designated by the Purchaser in writing as having authority to complete the Pre-Delivery Inspection and sign the PDI Form in a form acceptable to the Vendor) shall meet with the Vendor's representative at the date and time designated by the Vendor prior to the day of Closing, in order to conduct a pre-delivery inspection of the Dwelling (hereinafter referred to as the "Pre-Delivery Inspection"), and to list all incomplete, deficient or missing items with respect to the Dwelling on TARION's Pre-Delivery Inspection Form ("PDI Form") and to complete and sign the PDI Form and TARION's Certificate of Completion and Possession ("CCP"), in the forms prescribed from time to time by (and required to be completed pursuant to the provisions of) The *Ontario New Home Warranties Plan Act* R.S.O. 1990, as amended, and the regulations promulgated thereafter.

(ii) It is further understood and agreed that the most current version of TARION's Homeowner Information Package ("HIP") shall be delivered to the Purchaser by the Vendor no later than the date of the Pre-Delivery Inspection, and that the HIP is also available for the Purchaser's review or possession at any prior time, directly from TARION. The Purchaser or the Purchaser's designate agrees to execute and provide to the Vendor TARION'S Confirmation of Receipt form acknowledging the Purchaser's receipt of the HIP forthwith upon receipt of same.

(iii) The Purchaser hereby irrevocably nominates and appoints the Vendor to be its lawful attorney in the Purchaser's name in order to execute the PDI Form, the CCP and/or the Confirmation of Receipt form in the event the Purchaser fails to do so when required by the terms hereof.

TITLE

13. Title to the Real Property shall be good and free from encumbrances except that it may be subject to subdivision or other agreements, covenants, and restrictions (which restrictions may include the power to waive or vary), easements, licenses and rights required by the Vendor, Developer, Municipality or other affecting authorities including utilities, all of which the Purchaser shall accept provided there does not exist default under any and provided that the Purchaser's use of the Real Property for residential purposes is permitted. The Purchaser shall satisfy himself or herself as to compliance with such matters and any releases specifically contemplated in such agreements may be obtained by the Vendor subsequent to Closing. Title may also be subject to easements for maintenance or encroachment required for adjoining properties and to the encroachments permitted thereby. If any of the foregoing easements, restrictions or rights are required to be created after Closing the Purchaser shall execute any documents needed. The rights of re-entry referred to in Paragraph 17 shall also affect title and these rights as well as any of the above may be contained in the transfer delivered to the Purchaser.

Municipal subdivision agreements regulate development. The Purchaser should inquire of the Municipality on whether the applicable subdivision agreement contains special warnings, construction or servicing requirements, easement, fences or berms or other matters affecting the Real Property.

The Purchaser shall be allowed until fifteen (15) days before the date of Closing to examine the title at his or her own expense and if, within that time, any valid objection to title is made in writing to the Vendor, which the Vendor is unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall notwithstanding any intermediate act or negotiations, be at an end and the Deposit shall be returned without interest or deduction and the Vendor shall not be liable for any damages or costs whatever. Save as to any valid objections so made within such time or going to the root of the title, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property. The Purchaser is not to call for the production of any title deeds, or other evidence of title except as are in the possession of the Vendor.

The Vendor shall provide a foundation survey of the Real Property at or before closing.

PRIOR MORTGAGES

14. Title to the Real Property may be encumbered by mortgages not to be assumed by the Purchaser on Closing. The Purchaser agrees to accept the Vendor's written undertaking to remove such encumbrance on title within a reasonable time after Closing if accompanied by,

(i) a written statement from the mortgagee of the amount required to be paid to obtain a discharge of the Real Property together with a direction from the Vendor permitting payment to that mortgagee of such amount by the Purchaser; or

(ii) written confirmation by the mortgagee that a discharge will be available without any action or payment on the part of the Purchaser or Vendor;

(iii) together with an undertaking by the Vendor's solicitors to remit to the mortgagee any funds directed to it pursuant to 14 (i) above and to register any such discharge when received by them.

RISK

15. The Dwelling shall remain at the Vendor's risk until Closing. If the Dwelling is damaged prior to Closing, the Vendor shall repair the damage, finish the Dwelling and complete the sale, subject to any Unavoidable Delay, as such term is defined at Page 4 of the Addendum.

TRANSFER

16. The transfer shall be prepared by the Vendor's solicitors at the Vendor's expense and shall be registered forthwith on Closing by the Purchaser at his or her expense. The Purchaser agrees to advise the Vendor's solicitors, at least fifteen (15) days prior to the date of Closing, as to how the Purchaser will take title to the Real Property and of the birth dates of any parties taking title to the Real Property.

Title may be conveyed directly from the Developer to the Purchaser. If it is, and if the Vendor so requests, the Purchaser shall execute an acknowledgement that the Developer is not the builder and has no liability to the Purchaser as such.

AFTER CLOSING

17. The Ontario New Home Warranty shall constitute the Vendor's only warranty, express or implied, in respect of any aspect of construction of the Dwelling and further shall be the full extent of the Vendor's liability for defects in materials

or workmanship or damage, loss or injury of any sort, whether arising in tort or in contract. THE PURCHASER IS URGED TO REVIEW THE WARRANTY, PARTICULARLY ITS EXCLUSIONS, and to be aware that the Vendor is not liable for loss or damage to any landscaping, furnishing or improvement by the Purchaser caused either by any defect for which the Vendor is responsible or by the remedying of such defect. The Purchaser shall care for sod, shrubs, and other landscaping provided by the Vendor or Developer and shall replace any of it that dies.

The Purchaser shall not alter the grading or drainage pattern of the Real Property in any way and shall not construct any fences, pools, patios, sheds, or similar structures prior to final grading approval without the Vendor's consent. Some settlement of the lands is to be expected and the Purchaser shall repair minor settlement.

The Vendor reserves the right of re-entry for itself, the Developer and the Municipality for the completion of grading and the correction of any surface drainage problems or the completion of any other matter required by the subdivision agreement. The Vendor may re-enter to remedy at the Purchaser's expense any default by the Purchaser. The Vendor may also re-enter to complete any outstanding work.

The Purchaser acknowledges the following:

a) the Vendor shall not be liable for any damaged or diseased trees on the Real Property however caused and that the Purchaser assumes full responsibility for care, removal and replacement of such trees, provided that no trees may be removed from the Real Property except in conformance with the provisions of the municipal subdivision or other agreement affecting the Dwelling;
b) the Vendor will rectify any major settlement once only, and such work, unless of an emergency nature, will be completed when seasonably feasible and according to the Vendor's work programme 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;
c) final lot grading and sodding may not be completed until the year following the year of occupancy, and the Purchaser agrees that the timing for the completion of same shall be at the Vendor's sole discretion subject to Registrar Bulletin 1;
d) the Developer has agreed to provide and pay for paved roads, curbs, street lighting, sanitary and storm sewers, and such other private or public services along the public highways as required by the Municipality or the municipal subdivision agreements; and
e) a sidewalk, if any, will be installed by the Developer in accordance with the appropriate municipal subdivision agreement.

NON ASSIGNABLE

18. This Agreement is personal to the Purchaser and may not be assigned other than to the Purchaser's spouse without the Vendor's written approval. Prior to closing, the Purchaser covenants that it shall not advertise or list or enter into an agreement to sell the Real Property for resale without the Vendor's prior written approval in its sole discretion.

CLOSING AND TENDER

19. The parties waive personal tender and agree that tender, in the absence of any other mutually acceptable arrangement and subject to the provisions of Paragraph 24 of this Agreement, may be validly made by the Vendor upon the Purchaser, by a representative of the Vendor attending at the Vendor's Solicitors' office at 12:00 p.m. on the Closing Date or the Firm Occupancy Date as the case may be and remaining there until 5:00 p.m. and is ready, willing and able to complete the transaction. In the event the Purchaser or their Solicitor fails to provide the Purchaser's signed documents and closing funds by noon on the Closing Date, such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor is ready, willing and able to complete the sale at such time. The Vendor shall not be required to register any discharge of any outstanding mortgage, charge or other encumbrance not being assumed by the Purchaser on Closing, in order to validate or perfect the Vendor s tender upon the Purchaser, and need only make arrangements to discharge same in accordance with Paragraph 14 ("Prior Mortgages") hereof in the event that the Purchaser completed this transaction. The Purchaser further acknowledges and agrees that the key(s) to the property may be released to him directly from the sales office, the construction site, or from any other location designated by the Vendor, upon payment of all requisite monies and the delivery of all relevant documents from each party thereto to the other, and the Vendor shall not be required to provide any key(s) as part of any tender made by it.

WHOLE AGREEMENT

20. The parties acknowledge that there is no representation, warranty, collateral agreement or condition affecting the Agreement or the Real Property except as contained in this Agreement. Any statement or representation made by Agents or employees of the Vendor or contained in any sales brochures or in any other document shall not be legally binding upon the Vendor unless contained in this Agreement. This Agreement may not be amended other than in writing.

INTERPRETATION

21. This Agreement is to be read with all changes of gender or number required by the context. Time shall in all respects be of the essence. All headings are for convenience of reference only and have no bearing or meaning in the interpretation of any particular clause in this Agreement.

RESIDENCY AND FAMILY LAW ACT

22. The Vendor represents that it is not a non-resident for the purposes of Section 116 of the Income Tax Act, Canada, and that spousal consent is not necessary to this transaction under the provisions of the Family Law Act.

NO REGISTRATION

23. The Purchaser confirms that this Agreement does not create an interest in the Real Property. The Purchaser will not at any time register or permit to be registered on title to the Real Property, this Agreement or a notice or assignment or transfer thereof or a caution, purchaser's lien or certificate of pending litigation or any encumbrance or cloud or other document whatsoever, and any such registration shall permit the Vendor to exercise any of its remedies set forth in this Agreement or at law, including the right of the Vendor to terminate this Agreement subject to the provisions of the Ontario New Home Warranties Plan Act, whereupon the Deposit may, in addition to any other remedy hereunder or at law available to the Vendor, be fortified as liquidated damages.

ELECTRONIC REGISTRATION

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

(a) The Purchaser shall be obliged to retain a lawyer, who is both an authorized TERS user and in good standing with the Law Society of Ontario to represent the Purchaser in connection with the completion of the transaction, and shall authorize such lawyer to enter into an escrow closing agreement with the Vendor's solicitor on the latter's standard form (hereinafter referred to as the **Escrow Document Registration Agreement**), establishing the procedures and timing for completing this transaction and to be executed by the Purchaser s solicitor and returned to the Vendor's solicitors prior to the Closing Date.

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

(i) shall not occur contemporaneously with the registration of the Transfer/Deed (and other registrable documentation); and

(ii) shall be governed by the Escrow Document Registration Agreement, pursuant to which the solicitor receiving the documents, keys and/or certified funds will be required to hold same in escrow and will not be entitled to release same except in strict accordance with the provisions of the Escrow Document Registration Agreement.

(c) The Purchaser expressly acknowledges and agrees that they will not be entitled to receive the Transfer/Deed to the Property for registration until the balance of funds due on closing, in accordance with the statement of adjustments, are either remitted by certified cheque via personal delivery or by electronic funds 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.

(d) Each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the Property may be delivered to the other party hereto by telefax transmission (or by electronic transmission of electronically signed documents through the Internet) or email, provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto which may be by electronic signature, unless the Purchaser is eligible for the Rebates, in which case the Purchaser shall deliver originally signed documents relating to same.

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

(i) delivered all closing documents, and/or funds to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement and keys are made available for the Purchaser to pick up at the Vendor's construction site or customer service/sales office;

(ii) advised the Purchaser s solicitor, in writing, that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and

(iii) has completed all steps required by TERS in order to complete this transaction that can be performed or undertaken by the Vendor s solicitor without the cooperation or participation of the Purchaser's solicitor, and specifically when the **completeness signatory** for the transfer/deed has been electronically **signed** by the Vendor's solicitor provided that the Vendor's solicitor is able to do so without the Purchaser's Solicitor's cooperation or participation;

without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents, keys and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

<u>GRADING</u>

25. The Purchaser covenants that it will not at any time before or after Closing, without the prior written consent of the Vendor and the Developer, interfere with any drainage ditch completed by the Developer or take any steps which may result in the alteration or change of any grading or drainage or removal of top soil in contravention of the Developer's obligations under the applicable subdivision agreement. In such event, the Vendor or the Developer may enter upon the Real Property and correct such grading and remove any such obstructions at the Purchaser's expense to be paid forthwith upon demand. This covenant may be included in the Purchaser's transfer at the option of the Vendor.

The Purchaser further acknowledges that settlement may occur due to soil disturbance and conditions including areas affecting walkways, driveways and sodded areas. The Vendor agrees to rectify such settlement problems as and when required by the Municipality or the Developer subject to the Purchaser's obligation to assume the cost of removing and re-installing any driveways or walkways installed by the Purchaser.

In the event that the garage or rear access is more than 2 steps, access will be removed or a guard will be attached at vendors discretion. The purchaser assumes all responsibilities for the construction of any deck, landing, or railing for rear or garage access.

<u>H.S.T.</u>

26. The Purchaser acknowledges that the Harmonized Sales Tax, the "HST", is included in the Purchaser Price shown on page one of this Agreement of Purchase and Sale, and the Purchase Price is calculated on the basis that the Purchaser is entitled to the Rebate (as defined below), and the Vendor agrees to pay to the appropriate authority, on behalf of the Purchaser, all HST payable with respect to the transfer of the real property, provided that the Vendor shall have the right to receive any rebate, deduction or set off of any kind whatsoever (hereinafter referred to collectively as the "Rebate") available to the Purchaser pursuant to the legislation imposing the HST, and the Purchaser hereby irrevocably assigns to the vendor the Purchaser's right to receive the Rebate. The Purchaser agrees to execute and provide to the Vendor, by the closing date, any and all documentation as may be required by

the legislation to effect the Rebate and to direct payment to the Vendor, together with all other documentation required, at its sole discretion, by the Vendor. In particular (and without limiting the foregoing) the Purchaser shall provide a statutory declaration in a form satisfactory to the Vendor confirming that:

(a) The Purchaser is acquiring the Real Property for use as the primary place of residence of the Purchaser (being all the individual purchasers if more than one), an individual related to the Purchaser, or a former spouse of the Purchaser; and
(b) The Purchaser or a person related to the Purchaser will be the first individual to occupy the Real Property as a place of residence.

In the event that the Purchaser is not entitled to the Rebate, that the Purchaser takes any action or makes false representations that would, or does, disentitle the Purchaser from receiving the Rebate, or in the event that the Vendor, acting reasonably, determines that the Purchaser is not (or may not) be entitled to the Rebate, then the Purchaser shall indemnify the Vendor from any loss of such rebate amount, and the amount of such loss shall be credited to the Vendor on Closing if discovered prior to Closing, or paid to the Vendor by the Purchaser after Closing if not so discovered prior to Closing. The Rebate amount plus an administration fee of $2000+HST (together called the "Rebate Fee") shall be paid by the Purchaser on closing pursuant to Schedule "2", or paid to the Vendor by the Purchaser after Closing if not so discovered prior to Closing. The Purchaser may seek the payment of the Rebate from the HST authorities if the Purchaser is entitled thereto.

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

UPGRADES, SELECTIONS & CHANGES

27. (a) The Purchaser is advised that exterior elevation, appearances, and finishing will be similar to pictures or renderings but may not necessarily be identical in form and renderings are not indicative of colour schemes.
(b) The Purchaser acknowledges and agrees that various types of flooring, such as carpets, marble, tile and/or hardwood floors in the Dwelling may result in different heights (to be established by the Vendor in its sole discretion) in the transitional areas between them, and that the Vendor may use appropriate reducers in the area as required.
(c) Variations from the Vendor's samples may occur in finishing materials, kitchen and vanity cabinets, floor and wall finishes due to normal production process and different dye lots.
(d) The Purchaser acknowledges Vendor's advice that at Vendor's discretion door swings may be different from those indicated on brochures and agrees to accept door swings as adjusted at Vendor's discretion.
(e) The Purchaser is notified that the number of steps to the front or rear entrances may be increased or decreased depending on final grading.
(f) The Purchaser acknowledges that the finishing materials contained in any model suite, customer service office, or sales office are for display purposes only, and may not reflect the actual type, quality, or grade of materials and/or finishes included in the Dwelling.
(g) The Purchaser acknowledges that any hardwood flooring installed in the Dwelling is made of a natural material which is subject of normal shrinkage, board separation and expansion due to changes in humidity for which the Purchaser agrees is not the responsibility of the Vendor.

SUCCESSION

28. This Agreement shall be binding upon the heirs, executors, administrators, successors, and permitted assigns of each party.

NOTICE

29. Any notice required to be given pursuant to this Agreement may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor or to the Purchaser's or Vendor's Solicitor at the address/contact numbers identified on page 1 of this Agreement. If either party wishes to receive written notice under this Agreement at an address/contact number other than those identified on page 1 of this Agreement the party shall send written notice of the change of address/contact number to the other party. Written notice given by one of the means identified in this paragraph is deemed to be given and received in accordance with paragraph 15(b) of the Addendum, provided that in respect of electronic transmission, the sender does not receive notification that the transmission did not go through.

DEFAULT

30. In case of material default, or breach of this Agreement by the Purchaser, the Deposit and any other amounts paid by the Purchaser shall be forfeited to the Vendor, irrespective of any other right, cause of action or remedy to which the Vendor may be entitled.

31. Time shall be of the essence.

WAIVER

32. No waiver by the Vendor of any breach of covenant or default in the performance of any obligation hereunder or any failure by the Vendor to enforce its rights herein shall constitute any further waiver of the Vendor's rights herein, nor shall any waiver constitute a continuing waiver unless otherwise provided.

NON-MERGER

33. The Purchaser's covenants and agreements herein shall not merge on Closing but shall remain in full force and effect according to their terms, notwithstanding the conveyance of title to the Real Property and the payment of the Purchase Price.

FURTHER ASSURANCES 34. The Purchaser will execute such other documents and assurances to carry out the intention of this Agreement, and will deliver same upon, prior to or after Closing, as may be required by the Vendor.

PLANNING APPLICATIONS 35. The Purchaser acknowledges that applications may be made to obtain minor variances or other planning or development approvals in respect of the Real Property, the residential development upon which the Real Property is situate or any nearby residential developments marketed by the Vendor and the Purchaser hereby covenants and agrees that it shall not oppose any such applications and the Purchaser further acknowledges and agrees that the covenant may be pleaded as an estoppel or bar to any opposition or objection raised by the Purchaser thereto.

CLOSING DOCUMENTS 36. The Purchaser acknowledges that the Vendor is not required to deliver "hard" or paper copies of the documentation pertaining to the 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 and/or by website. If delivered by website, the Closing Documentation shall be made available for download on an internet website designated by the Vendor and access to such website shall be effected by way of a confidential password to be provided to the Purchaser and/or the Purchaser's solicitor.

EXTENSION 37. The Vendor may unilaterally 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 close on the Firm Closing Date or Delayed Closing Date, as the case may be. The parties hereto acknowledge that delayed closing compensation will not be payable for such period and that the Vendor may not impose any penalty or interest charge upon the Purchaser with respect to such extension. "Firm Closing Date", "Delayed Closing Date" and "Business Day" are defined in the Addendum.

ASSIGNMENT 38. The Vendor shall have the right to assign this Agreement, provided that any such assignee shall be bound by all the covenants made by the Vendor herein, in which event the Vendor shall thereupon be released from all obligations hereunder.

CREDIT REPORT 39. The Purchaser acknowledges having been notified by the Vendor that a consumer report containing credit and/or personal information may be applied for, obtained, or referred to in connection with this transaction and the Purchaser hereby consents to same and to forthwith execute any documents and authorizations required by the Vendor in this regard.

SUBORDINATION 40. The Purchaser agrees that this Agreement shall be subordinated to and postponed to any mortgage(s) arranged by the Vendor and any advances made thereunder from time to time or liabilities secured thereunder and to any agreements, easements, licenses, rights covenants, and restrictions referred herein to which title to the Real Property may be subject. The Purchaser agrees to execute all necessary documents and assurances to give effect to the foregoing as requested by the Vendor.

SIGNATURES 41. The parties hereto consent and agree to the use of electronic signature pursuant to the Electronic Commerce Act 2000, S.O. 2000, c17 as amended from time to time with respect to this Agreement and any other documents respecting this transaction. This Agreement may be executed in counterpart and each such counterpart shall for all purposes constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the same counterpart, provided that each party has signed at least one counterpart. This Agreement may be executed and delivered by facsimile transmission or other electronic transmission and the parties hereto may rely upon all such facsimile or other electronic signatures as though such signatures were original signatures.

SEVERABILITY 42. If any provision of this Agreement or the application thereof to any person or circumstances, to any extent, be invalid or unenforceable, then the remainder of this Agreement or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

SCHEDULE "2" ADJUSTMENTS AND DEPOSITS

(a) Any charges paid to a utility for the connection and/or energization of services or the installation of meters set at $ 1000 plus H.S.T.;

(b) The TARION enrolment fee, the HCRA enrolment fee and any other enrolment fees payable in connection with the Property (together with any provincial and/or federal taxes exigible with respect thereto) as of the date of closing.

(c) Realty taxes, adjusted on the Vendor's reasonable estimate as though the Dwelling were fully completed, the Real Property separately assessed, and the taxes paid. (THE PURCHASER IS ADVISED that the Mortgagee may require deposit to be paid to it to establish a tax account. And further, that the Municipality may issue a realty tax bill for supplementary assessment following Closing, which taxes may be in addition to those adjusted with the Vendor, and wholly or partly the responsibility of the Purchaser.)

(d) Any other new taxes imposed on the Property after the date of this Agreement by the federal, provincial, and/or municipal government;

(e) Costs incurred by the Vendor as set forth below:

(i) boulevard landscaping fee set at $ 2500 plus H.S.T.;

(ii) Any increase (the "Price Adjustment") in the Vendor's original budgeted costs for construction costs, material, labour or supplies relating to the construction of the Dwelling (and related services) on the Real Property, occurring after the date of execution of this Agreement by the Purchaser, provided that the Price Adjustment shall not exceed the sum of $ N/A . The amount of the foregoing Price Adjustment shall be determined solely by the Vendor, acting reasonably, and the determination of the Vendor shall be determinative, final, and not subject to review or dispute by the Purchaser or any other party. On or prior to closing the Vendor shall provide the sworn statutory declaration of a senior officer of the Vendor attesting to the determination of the Price Adjustment and confirming the accuracy of same.

(iii) any charges 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 described as a transaction levy or similar charge: $ 65.00 plus H.S.T.;

(iv) The amount of any increase in Development Levies attributable to the Property after the date of this Agreement and the amount of any new Development Levies that were not exigible as of the date of issuance with respect to the Property and were subsequently assessed against the Property or attributable to the Property. The amount of the foregoing adjustment shall be determined by a statutory declaration sworn on the part of the Vendor which the Purchaser agrees to accept. The Purchaser acknowledges and agrees that should any of the Development Levies be issued on a bulk basis, the Vendor shall have the right in its sole discretion, to apportion the Development Levies to the Purchaser on a proportionate basis, by dividing the total amount of Development Levies by the number of Dwellings in the project and by charging the Purchaser in the statement of adjustments with that portion of the Development Levies. This charge shall not exceed the sum of $ 2500 .;

(v) the cost of preparing a foundation survey of the Dwelling: $ 1500 plus H.S.T.

(f) a damage deposit for the Purchaser's covenants contained in paragraph 25, in the amount of $ 2500 to be refunded to the original Purchaser without interest, upon request, following municipal assumption of the subdivision services and return of any security deposit given by the Vendor to the Developer or the Municipality provided that the Purchaser named herein remains the registered owner of the Property at the time of such return of security, failing which the damage deposit shall be forfeit to the Vendor and shall be retained by, and be the property of, the Vendor;

(g) an administration fee of $ 250 plus H.S.T. for any cheque delivered to the Vendor not accepted by the Vendor's bank for any reason;

(h) an administration fee of $ N/A plus H.S.T. for the delivery of notices to the Purchaser's solicitor as required pursuant to the Addendum;

(i) -RESERVED-;

(j) An administrative fee of Twenty-five Dollars ($25.00) per wire transfer, where the Vendor or its solicitors permit a payment via wire;

(k) any charge imposed by the Municipality for new municipal numbering for the Real Property; and

(l) The Rebate Fee if the purchaser is not eligible for the Rebate as per section 26

SCHEDULE "3" PURCHASER'S CONSENT TO THE COLLECTION AND LIMITED USE OF PERSONAL INFORMATION

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

(a) the Vendor's sales agents, and any companies or legal entities that are associated with, related to, affiliated with the Vendor, other future real estate developers that are likewise associated with, related to or affiliated with the Vendor (or with the Vendor's parent/holding company) and are developing one or more other real property developments or commercial properties that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(b) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related to or affiliated with the Vendor, and who may send (by e-mail or other means) promotional literature/brochures about new real property developments and/or related services to the Purchaser and/or members of the Purchaser's family;

(c) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family;

(d) any private lender(s) or financial institution(s) or their assignee or successor, providing (or wishing to provide) financing, or mortgage financing, banking and/or other financial or related services to the Vendor, the Tarion Warranty Corporation and/or any warranty bond provider, required in connection with the development and/or construction financing of the Real Property;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof), including without limitation, any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;

(f) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Real Property and the installation of any extras or upgrades ordered or requested by the Purchaser;

(g) one or more providers of cable television, telephone, telecommunication, security alarm systems, hydro-electricity, chilled water/hot water, gas and/or other similar or related services to the Real Property (or any portion thereof), unless the Purchaser advises the Vendor in writing not to provide such personal information to an entity providing security alarm systems and services;

(h) any relevant governmental authorities or agencies, including without limitation, the Land Titles Office (in which the Real Property is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to H.S.T.);

(i) Canada Revenue Agency, to whose attention the appropriate interest income tax information return and/or the non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(I)(b)(ii) of The Income Tax Act R.S.C. 1985, as amended, or for the benefit of the Vendor or its related or parent company where the Purchaser has agreed to provide financial information to the Vendor to confirm the Purchaser's ability to complete the transaction contemplated by the agreement of purchase and sale, including the Purchaser's ability to obtain sufficient mortgage financing;

(j) the Vendor's solicitors, to facilitate Closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the Vendor's accountants and/or auditors who will prepare the Vendor's regular financial statements and audits;

(l) the Vendor's solicitors for the purposes of facilitating closing of the transaction or enforcement of the Vendor's rights under the Agreement of Purchase and Sale;

(m) the Vendor's solicitor or any person or entity which the Vendor may acquire services from for the purpose of determining the Purchasers credit report, property ownership, or other financial information; and

(n) any person, where the Purchaser further consents to such disclosure or disclosures required by law.

SCHEDULES

Vendors may add Schedules including further or alternate provisions about: *(Any such Schedules should be initialized by the parties.)*

- *Features Schedule (referred to in paragraph 1)*
- *Deposit (referred to in paragraph 1 (a))*
- *Adjustments and Deposits (continuation of Schedule 2, if applicable)*
- *Site Plan or other plans*
- *Warning clauses required by subdivision agreements or other provisions in subdivision agreements affecting particular lots.*
- *Restrictive covenants or other title matters of note.*
- *Resale/assignment restrictions before closing*
- *Agency disclosures*

APPENDIX TO ADDENDUM

Additional Early Termination Conditions – Page 1

ADDITIONAL CONDITION #1

Description of the Early Termination Condition:

____
____
____
____

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

____

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

ADDITIONAL CONDITION #2 (IF APPLICABLE)

Description of the Early Termination Condition:

____
____
____
____

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

____

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

ADDITIONAL CONDITION #3 (IF APPLICABLE)

Description of the Early Termination Condition:

____
____
____
____

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

____

The date by which Condition #3 is to be satisfied is the _______ day of _______________, 20_____.

Schedule A

Vendor: 1000023488 Ontario Inc. **Lot#**____________________

Client Name(s): ____

Extras Included in The Purchase Price:	**Value/Cost:**
Lot Premium	
Smooth Ceilings throughout the main floor	-
Engineered Hardwood on the Main Floor, except tiled areas	-
Granite or Quartz Countertops Throughout	-
BBQ Gas Line to Backyard	-
Rough-In Conduit for EV Charger in the Garage	-
	-
	-

The Client(s) & Vendor agree that:

i. The changes/additions will be installed in accordance with the written instructions supplied above. If written instructions are not clear, then the Client(s) agrees to accept the change(s) as interpreted and installed by the Vendor.

ii. The items above are a limited time offer and are inclusive of HST.

iii. All changes and selections to be made are those from the Vendor's décor samples.

iv. The Vendor will refuse to accept any change(s) if the stage of construction affected by the change(s) has been scheduled by the Vendor or his agents.

v. The Vendor will transfer to the Client any guarantees or warranties received from the manufacturer or suppliers of the said changes. The Vendor may at its discretion substitute any and all materials for those of equal or better quality where it deems necessary or applicable.

vi. The Client agrees that the changes requested are properly and accurately described above, and that no other instructions verbal or otherwise are valid except those written above.

vii. If there is any discrepancy between this schedule/change order and other schedules included in the Purchase and Sale Agreement, then it is agreed to by all parties that this schedule takes precedence.

viii. No Substitutions or Cash Value

Purchaser:___________________ Purchaser:_____________________

Vendor Signature:________________________________
1000023488 Ontario Inc.
Authorized Signing Officers

Schedule B

SW SPRINGWINDS | FEATURES & FINISHES

EXTERIOR FINISHES
- Elevations are principally all clay brick construction with brick arches, soldier coursing and colour coordinating mortar, as per plan.
- Architectural features such as raked masonry joints, decorative stone and precast as per front elevation.
- Self sealing asphalt roof shingles with a 25yr warranty from vendor's predetermined colour schemes.
- Maintenance free aluminum soffit fascia, eaves trough, and downspouts, as per elevation.
- Vinyl sliding patio doors with screen, as per plan,
- Low maintenance vinyl casement, sliders, or thermo-fixed glass windows throughout, as per plan. Muntin bars on front elevation. Colours are as per vendor's predetermined colour schemes. Basement windows to be white vinyl sliders. Transom windows on main floor, as per plan.
- Screens on all operational windows.
- Premium sectional roll-up garage doors with decorative windows, as per plan. Professionally graded and sodded lot.
- Front entry to have poured or precast steps and slab walkways and steps as required. Poured reinforced concrete garage floor. Two exterior water taps, one in garage and one at rear/side of home.
- Exterior front door with brushed nickel package including grip set and dead bolt.
- Convenient direct access to home from garage where grading permits, as per plan. Landing & steps may be required
- Upgraded black coach lamps at garage and front door and exterior light fixture at the rear door.

INTERIOR FINISHES & FEATURES
- 9' cellings on main, 8' cellings on second floor. Cathedral/coffered/vaulted ceilings as per plan.
- Main staircases in finished areas to be oak in natural finish and all mid-height landings to have prefinished oak strip flooring with natural finish. Secondary staircase to the basement to be paint grade stairs.
- Interior railings in natural finish oak to have upgraded 1 ¾" (approx.) spindles on all finished areas. Hallway railings to be installed on natural finish oak nosings, as per plan.
- Classique style interior doors.
- All trim and doors are painted white.
- Stippled ceilings with smooth borders on main and second floors (expect kitchen, laundry, and bathroom).
- Upgraded casing approximately 2 ¾" wide on all windows and doors and upgraded baseboards approximately 4 ¼" high.
- All interior door levers to be brushed nickel.
- All archways on main floor are trimmed, as per plan.
- Natural gas fireplace with white mantel, marble surround and flat hearth from vendor's standard samples, as per plan.

KITCHEN
- Double stainless steel kitchen sink with single lever faucet pull out spray.
- Heavy-duty receptacle for stove
- Electrical outlets for refrigerator and at counter level for small appliances.
- Quality cabinetry selected from vendor's standard samples including lower and upper cabinets, rough-in space for dishwasher, and one bank of drawers. Rough-in plumbing and electrical for dishwasher. Cabinet with 6" venting and standard plug required for future over the range Microwave.
- Post-formed laminate countertops from vendor's standard samples.

FLOOR COVERINGS
- Choice of 40oz broadloom with 12mm chip foam underpad in all designated floor areas as per plan from vendor's standard samples.
- Ceramic flooring from vendor's standard samples ceramic tile is located as per plan.

BATHROOMS & LAUNDRY
- White bathroom sinks and tubs in ensuites, shared baths, and main baths. Pedestal sinks to be white
- Free standing oval tub in master suite in single detached and drop-in tubs in semi-detached and townhouses, as per plan. Luxuriously appointed ensuites featuring double sinks, as per plan.
- Master ensuites feature shower with standard marble surround and recessed shower light, as per plan. Vanity cabinets include choice of styles and colours from vendor's standard samples.
- Mirrors in all bathrooms.
- Heavy-duty receptacle and outside vent for dryer.
- Ceramic wall tiles from vendor's standard samples in all tub and shower enclosures. Single lever faucets in all vanities, tubs, and showers, as per plan, excluding oval tubs. Oval tubs receive hot and cold taps with roman spout. Pressure balanced shower controls. Exhaust fans in all bathrooms.
- Privacy locks on all bathroom doors.
- Laundry area with connections for water and drain.
- Laundry tub with base cabinet and upper cabinet as per plan.

ELECTRICAL
- Rough-in for Central Vacuum in finished areas dropped to the basement ceiling.
- Cat 6 rough-in in Family Room and Master Bedroom.
- Electric door chimes at main door entry.
- All bathroom electrical duplex receptacles protected by ground fault interrupter.
- Smoke detectors provided as per Ontario Building Code
- All rooms to have switch-controlled quality ceiling light-fixture. White switches and receptacles throughout. Electrical outlet provided in garage for future garage door opener(s).
- Weatherproof electrical outlets at front door and rear door.
- 200 AMP electrical service with breaker panel and copper wiring throughout.

ENERGY SAVING FEATURES
- High efficiency forced air central heating, HRV, and rough-in for central air conditioning system.
- High efficiency hot water tank (rental).
- Metal insulated entry door with glass insert and high quality weather stripping.
- Upgraded foam insulation above garage and porch ceilings with living areas above.
- Attic space with R50 insulation.
- Exterior walls with R22 insulation.
- Basement insulation wrap with R20 insulation.
- Garage ceiling spray foamed with R31 insulation.

QUALITY CONSTRUCTION
- Poured concrete basement walls damp-proofed with spray and foundation wrap to enhance overall water resistance.
- Steel post and beam construction as required.
- Engineered truss-joint floor system, to allow for minimal use of structural posts.
- 5/8" tongue and groove subfloor screwed and/or glued to engineered floor joists.
- Windows and doors fully sealed with high quality caulking.
- Covered front porches as per plan. Porches are poured concrete with fiberglass columns as per plan. Railings are installed subject to grading requirements.

TWELVE STONE GROUP WENTWORTH

All purchasers' selections from standard samples. A wide variety of upgrades and options are available. Specifications, terms, and conditions are subject to change without notice. Builder has the right to substitute materials and fixtures of equal or greater value. As constructed homes may not include all of the features listed, purchasers are advised to examine constructed homes to determine what features are included. E. & O.E. October 15, 2024

Purchaser:__________

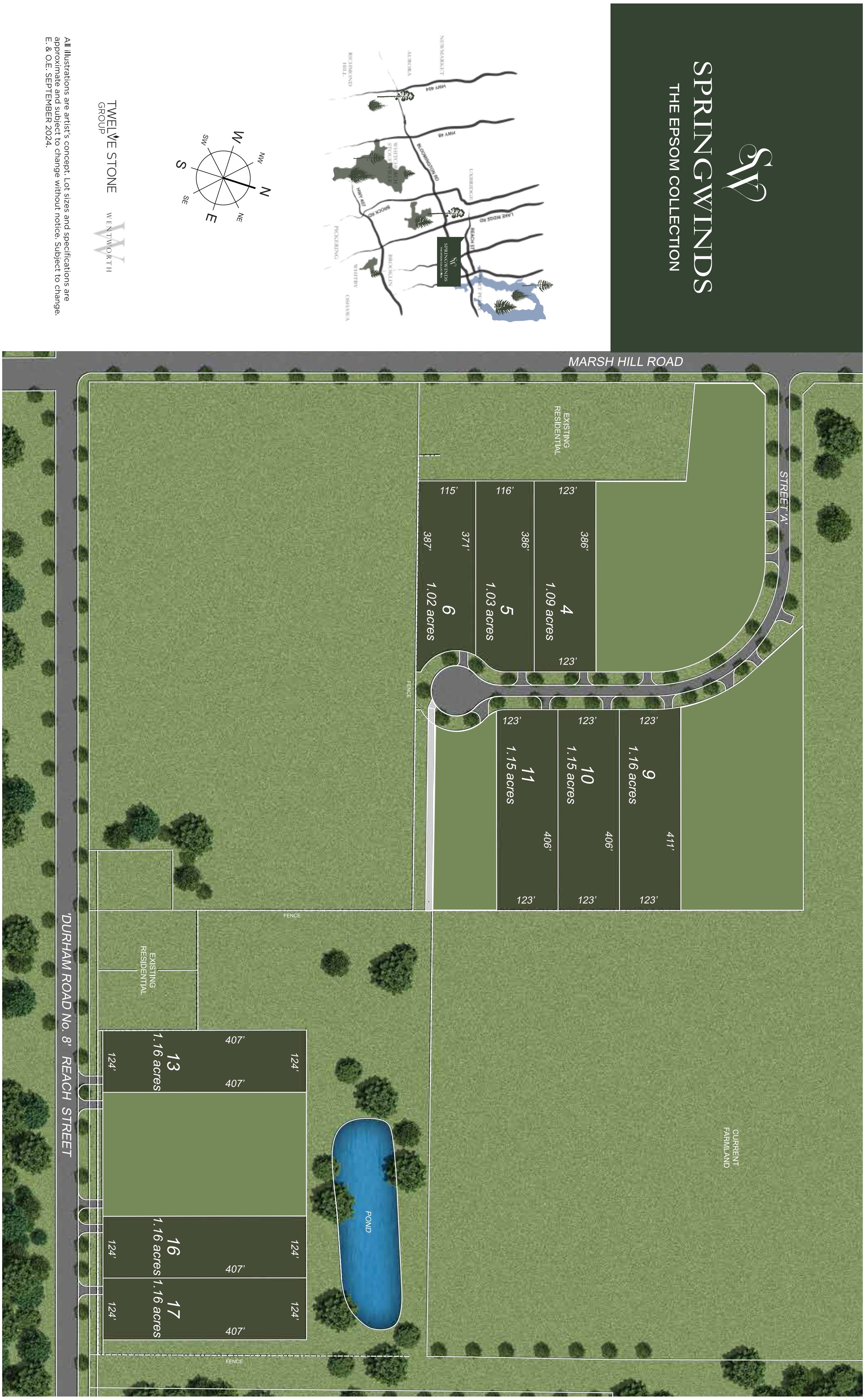
Purchaser:__________

Dated:______________

Schedule C

Floor Plan Will Be Added Here

Schedule D



Lot#__________

Client:__________ **Client:**__________ **Vendor:**_________________

Schedule F

The Purchaser acknowledges and agrees to allow the Vendor access to the home during regular business hours in order to make warranted repairs, given at least 24 hours email notice by the Vendor. The Purchaser further agrees to confirm appointments by email to the Vendor at least 12 hours before the scheduled appointment and that failure to confirm email appointments shall be considered denied access.

The Purchaser agrees to complete the Vendor's warranty service repair forms as required by Vendor and shall initial beside each repair item once the Purchaser has been satisfied that the repair item has been completed. The Purchaser further agrees that initialed items are considered completed in full and to the satisfaction of the Purchaser.

The Purchaser agrees to move or cover all furniture and personal belongings as required by the Vendor in order to complete warranted repairs. The Purchaser further agrees that the Vendor shall be required to clean the repaired area in a broom swept condition only.

The Purchaser agrees to maintain a relative humidity level between 35% and 50% by installing an central air conditioning unit and whole home humidifier with humidistat installed beside the thermostat on the first floor of the home in order to prevent shrinkage, drying out, and/or expansion of materials specifically, with respect to tile, trim, drywall, cabinets, caulking, stairs and hardwood floors. The Purchaser acknowledges and agrees that failure to install an central air conditioning unit and whole home humidifier and maintain the stated humidity levels shall void the Vendors, manufactures and installers warranties and if repairs are required by the Vendor as a result of the Purchasers failure to maintain the agreed relative humidity levels the Purchaser shall reimburse the Vendor for its costs.

The clauses contained above, in this Schedule, shall survive and not merge upon closing.

The Purchaser acknowledges and agrees that at the time of the Pre Delivery Inspection (PDI) that he/she will accept minor scratches, nicks, dents and blemishes with respect to walls, ceilings, trim, doors, stairs, cabinets, counter tops, and hardwood floors which do not meet the criteria for warrantable as per the Tarion Construction Performance Guidelines and not include them on the PDI forms. Damages, incomplete or missing items that qualify as per the Tarion Construction Performance Guidelines shall be listed separately and individually and will be governed by the Tarion Warranty Process.

Schedule G

Colour/Sample Selections and Upgrades

The Purchaser agrees to select and sign off on all flooring, structural customizations, kitchen and bathroom cabinets, cabinet upgrades, countertop and any other customer selectable items before the date of:

____

Customers will meet with the Vendor's representative at the Vendor's décor center. The date and time of the appointment will be made by the Vendor's representative with the Purchaser.

Selections and upgrade availability are subject to the availability of a product at time of ordering and the stage of construction progress. Some upgrades will be unavailable due to the stage of construction progress making changes not possible.
In the event of a selection not being available after selection and at the time of construction the Vendor will notify the Purchaser that a substitution must be made. The Purchaser will have ten (10) days to reselect the sample.

The Purchaser agrees that if selections, or reselections, have not been completed and signed by the above date or time frame, the Vendor shall make these choices on the Purchaser's behalf from the Vendor's samples of equivalent value. The Purchaser agrees that the selections made by the Vendor will be final and binding without the Purchaser's further written acknowledgement.

The Purchaser further agrees that once the sample selections are completed and signed, it shall be final and no further changes shall be permitted.

Schedule H

<u>Warning – Subdivision Agreement</u>

Purchasers/Grantees acknowledge that the Subdivision Agreement entered into or to be entered into, as the case may be, between the Developer and the Township may require the Developer to provide the Purchaser with certain notices, including, but not limited to, notices regarding land usage, maintenance of municipal fencing, school transportation, noise levels from adjacent roadways, highways, and in general, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of this property. The Subdivision Agreement is binding on successors in title and includes, among other things, requirements dealing with building permit requirements, occupancy permit requirements and lot grading siting restrictions.

<u>Warning - Occupancy</u>

Occupancy of any dwelling within this Development is illegal unless a conditional Occupancy Permit or Final Occupancy Permit has been obtained from the Township of Scugog, in accordance with the Ontario Building Code.

For Further Information Contact:

Building Department
Township of Scugog
P.O. Box 780 PORT PERRY, Ontario
L9L 1A7

<u>Warning - Development Charges</u>

Purchasers should be aware that this plan of subdivision is subject to the provisions of the Development Charges Act, as amended and the Township's Development Charges By-law enacted pursuant thereto. Development Charges for dwelling units are payable at the time of issuance of the building permit and therefore pursuant to the by-law, are subject to increase until building permits are actually issued. Purchasers should also be aware that the Township may refuse the issuance of building permits for any dwelling for which the Development Charge has not been paid. In addition, the Township may add unpaid Development Charges to the tax roll for the property and may collect such amounts as taxes.

<u>Warning – Drainage Easements</u>

Purchasers/Grantees are advised that there is a drainage easement located along the rear lot line of Lots 1, 3-5 and Lots 7-12. Lot 6 has a drainage easement located along the rear and side lot lines. Purchasers agree not to interfere with, modify, or erect structures (for example, sheds, decks, etc) on top of this area as it may affect the drainage within the neighbourhood and flooding may occur.

<u>Warning – Lot Grading and Landscaping</u>

Purchasers/Grantees are hereby advised that any alteration to the Lot grading must be in accordance with the approved Grading Plan and any proposed alterations must be approved by the Township, as it may affect the drainage pattern within your neighbourhood and flooding may occur.

Purchasers/Grantees are hereby advised that alteration of Lot grading, construction of above and below ground pools, landscaping, construction of fencing, sheds and other structures, including decks, etc., will not be permitted until an Unconditional Occupancy Certificate has been issued by the Township and approval for such alteration has been approved by the Township. The Purchaser/Grantee shall be solely responsible for any and all damages or injuries which may arise from the failure to do so.

Warning – Noise – Outdoor Amenity Areas

Purchasers of Lots 13 to 17 inclusive are advised that sound levels due to increasing road traffic may occasionally interfere with some of the activities of the dwelling occupants as the sound levels exceed the Ministry of the Environment's Noise Criteria.

Warning – Noise - Ventilation Requirements

Purchasers of Lots 13 to 17 inclusive are advised that despite the inclusion of noise control features in the development and within the building units, sound levels due to increasing road traffic may on occasions interfere with some of the activities of the dwelling occupants as the sound levels exceed the Ministry of the Environment's Noise Criteria. This dwelling unit was fitted with a forced air heating system and the ducting, etc. was sized to accommodate central air conditioning. Installation of central air conditioning by the occupant will allow windows and exterior doors to be remain closed, thereby ensuring that the indoor sound levels are within the Ministry of the Environment's noise criteria. (Note: the location and installation of the outdoor air conditioning device should be done so as to comply with noise criteria of MOE publication NPD-216, Residential Air Conditioning devices and thus minimize the noise impacts both on and in the immediate vicinity of the subject property.)

Warning – Assumption of Services

Purchasers/Grantees are hereby advised that a considerable period of time may elapse before the municipal services are eligible for Assumption under municipal by-law. Purchasers/Grantees acknowledge that the Developer is responsible for the maintenance of all municipal works until Assumption of the Subdivision. Water and Sanitary Sewer services in this Subdivision are private services and will not be provided or assumed by the Township.

Warning – Right of Entry

Purchasers/Grantees are advised that the Developer has granted to the Township, its successors, employees, contractors or agents, an easement or license to enter upon the Lands to correct any drainage or grading problem to the satisfaction of the Township or to construct, complete or repair any other works required by the Subdivision Agreement and which have not been completed by the Developer. Such entry, repairing and/or correction will not be deemed an acceptance of any of the works or drainage works by the Township nor an assumption by the Township of any liability in connection therewith or of its liabilities under the Subdivision Agreement.

Warning – Agricultural Area

This development is located adjacent to an Agricultural area. Agricultural practices as permitted by the Province of Ontario can cause disturbances of sight, smell and noise generated during normal farming practices. As residents of a rural residential community the purchasers acknowledge the foregoing and agree to accept and tolerate the legitimate and lawful use of neighbouring lands for agricultural purposes. Revision Date: March 2021 Page | 2 711371 Ontario Corp. (File S-S-2011-02)

Warning – Future Development on Adjacent Lands

Purchasers/Grantees should be aware that surrounding lands to the subdivision may be re-designated and/or rezoned to allow for future development. In particular, there are lands abutting the subdivision that are zoned as Future Development. In the event that the lands abutting the subdivision to the south of Lot 6 are developed, it is intended that "Wedgewood Trail" would be extended to the south.

Warning – Retaining Walls

Purchasers/Grantees are hereby advised that for any lot on which a retaining wall must be constructed so that grading in accordance with Township of Scugog Design Criteria and Standard Detail Drawings can be achieved, shall be responsible for the design, construction and maintenance of the retaining wall. Retaining walls shall not exceed 1.0 metre in total height. Purchasers/Grantees of all lots containing a retaining wall are advised that they are responsible for the maintenance of any portion of a retaining wall that is located on their lot. Purchasers/Grantees shall be solely responsible for any and all damages or injuries which may arise from the failure to maintain the retaining wall.

Warning – Students and Schools

Purchasers/Grantees are hereby advised that students from this development may have to attend existing schools and may be transported to school by bus. Purchasers of all lots abutting school blocks are advised that noise and lighting should be expected from the designed active use of the school.

Warning – Natural Areas

Purchasers/Grantees are advised that adjacent open space, woodlots and/or stormwater management facilities are designed for renaturalization and therefore shall be left in a naturally vegetated condition and receive minimal maintenance.

Warning – Community Mailboxes

Purchasers/Grantees are advised that mail delivery will be from a designated community mailbox, the location of which will be identified by the Developer prior to any home closings.

Warning – Parks and Trails

Purchasers and/or tenants of all lots abutting park or trail blocks are advised that noise and lighting generated by active use of the park and trail block(s) should be expected.

Warning – Future Easements

Purchasers/Grantees of all lots or blocks are advised that the Subdivision Agreement constitutes a covenant on the part of owners from time to time of such lots and blocks to grant, on any part of the such lands not covered by any Structure, such additional easements required for utility or drainage purposes by the Township, as the Township may advise in writing.

SCHEDULE “N-C”

NON-CANADIANS

The following paragraph is added to and shall form part of Schedule “1” of the Agreement of Purchase and Sale:

The Purchaser acknowledges the provisions set forth in the Prohibition on the Purchase of Residential Property by Non-Canadians Act (the “N-C Act”) which takes effect as of January 1, 2023. The Purchaser covenants, warrants and represents to the Vendor that the Purchaser is not a non- Canadian as defined by the N-C Act. In the event that the Purchaser is determined, on or before the Closing Date, to be a non-Canadian as defined by the N-C Act, same shall constitute default under this Agreement and the Vendor shall be entitled to exercise any rights that it may have pursuant to this Agreement or at law as a result of same, including the right to terminate this Agreement. In addition, the Purchaser shall indemnify and save harmless the Vendor and/or related or associated corporations to the Vendor, their directors, officers, employees and agents, and the 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 determined to be a non-Canadian in accordance with the N-C Act. Upon execution of this Agreement, the Purchaser shall provide written evidence and confirmation, satisfactory to the Vendor, that the Purchaser is not a non-Canadian in accordance with the N-C Act. In addition, on the Closing Date, the Purchaser shall also provide such written evidence and confirmation, satisfactory to the Vendor’s solicitors, that the Purchaser is not a non-Canadian in accordance with the N-C Act, including written confirmation addressed to the Vendor and the Vendor’s solicitors, from the Purchaser’s solicitors, confirming that the Purchaser is not a non-Canadian in accordance with the N-C Act.

In accordance with the N-C Act a Non-Canadian is defined as at December 1, 2022 as follows:

A) Individual that is neither a Canadian citizen, nor a person registered as an Indian under the Indian Act, nor a permanent resident;
B) A corporation incorporated otherwise than under the laws of Canada or a Province;
C) A corporation incorporated under the laws of Canada or a Province whose shares are not listed on a stock exchange in Canada for which a designation under section 262 of the Income Tax Act is in effect and that is controlled by a person referred to in paragraph (A) or (B); and
D) A prescribed person (to be defined by regulation).

The definition of Non-Canadian may be further amended or revised in accordance with the regulations or changes to the N-C Act. If the Purchaser is unclear about their status under the N-C Act, they should seek legal advice from their solicitor.

The Purchaser(s) have provided one or more of the following identification and/or documentation to evidence that they are not non-Canadians pursuant to the N-C Act: (Copies of documentation to be kept on file)

For individuals:

1. Canadian Passport No. ____________________________
2. Canadian Birth Certificate No. ____________________________
3. Canadian Permanent Residency Card No. ____________________________
4. Indian Status Card No. ____________________________

For Corporations/Trusts/Partnerships:

1. Articles of incorporation or equivalent for partnerships/trusts;
2. Form 1 or equivalent for partnerships/trusts;
3. Director, Officer and Shareholder registers or equivalent for partnerships/trusts etc; and
4. Identification for each individual who is a Director, Officer or Shareholder as noted above.

Vendor’s Initials: ____________________ Purchaser’s Initials: ________________

Purchaser’s Initials: ________________

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 1000023488 Ontario Inc.
Full Name(s)

PURCHASER ______________________
Full Name(s)

1. Critical Dates

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

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 XX day of Month, Year.

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

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

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

2. Notice Period for a Delay of Closing

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

Notice of a delay beyond the First Tentative Closing Date must be given no later than: the XX day of Month, Year.
(i.e., at least **90 days** before the First Tentative Closing Date), or else the First Tentative Closing Date automatically becomes the Firm Closing Date.

Notice of a second delay in Closing must be given no later than: the XX day of Month, Year.
(i.e., at least **90 days** before the Second Tentative Closing Date), or else the Second Tentative Closing Date becomes the Firm Closing Date.

3. Purchaser's Termination Period

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

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

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

Acknowledged this ____ day of _________________, 20____.

VENDOR: ______________________________________ PURCHASER: ______________________________________

______________________________________ ______________________________________

Addendum to Agreement of Purchase and Sale
Delayed Closing Warranty

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

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

The Vendor shall complete all blanks set out below.

VENDOR

1000023488 Ontario Inc.
Full Name(s)

B62453
HCRA Licence Number

17075 Leslie St, Unit 6
Address

905-657-9184
Phone

Newmarket | Ontario | L3Y 8E1
City | Province | Postal Code

n/a
Fax

office@twelvestone.ca
Email*

PURCHASER

Full Name(s)

Address | City | Province | Postal Code

Phone

Fax | Email*

PROPERTY DESCRIPTION

Lot#
Municipal Address

Town of Scugog | Ontario
City | Province | Postal Code

Short Legal Description

Number of Homes in the Freehold Project 11 (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 3 day of August, 20 25

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

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

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

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

2. Changing the Firm Closing Date – Three Ways

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

(b) If a new Firm Closing Date is set in accordance with section 4 or 5, then the new date is the "Firm Closing Date" for all purposes in this Addendum.

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

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

4. Changing Critical Dates – By Mutual Agreement

(a) This Addendum sets out a framework for setting, extending and/or accelerating Critical dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser.
(b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:

- (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
- (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;
- (iii) the Purchaser acknowledges that the amendment may affect delayed closing compensation payable; and

(iv) if the change involves extending either the Firm Closing Date or the Delayed Closing Date, then the amending agreement shall:

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

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

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

(d) The Vendor and Purchaser may agree in the Purchase Agreement to any unilateral extension or acceleration rights that are for the benefit of the Purchaser.

5. Extending Dates – Due to Unavoidable Delay

(a) If Unavoidable Delay occurs, the Vendor may extend Critical Dates by no more than the length of the Unavoidable Delay Period, without the approval of the Purchaser and without the requirement to pay delayed closing compensation in connection with the Unavoidable Delay, provided the requirements of this section are met.

(b) If the Vendor wishes to extend Critical Dates on account of Unavoidable Delay, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, and an estimate of the duration of the delay. Once the Vendor knows or ought reasonably to know that an Unavoidable Delay has commenced, the Vendor shall provide written notice to the Purchaser by the earlier of: 20 days thereafter; and the next Critical Date.

(c) As soon as reasonably possible, and no later than 20 days after the Vendor knows or ought reasonably to know that an Unavoidable Delay has concluded, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, identifying the date of its conclusion, and setting new Critical Dates. The new Critical Dates are calculated by adding to the then next Critical Date the number of days of the Unavoidable Delay Period (the other Critical Dates changing accordingly), provided that the Firm Closing Date or Delayed Closing Date, as the case may be, must be at least 10 days after the day of giving notice unless the parties agree otherwise. Either the Vendor or the Purchaser may request in writing an earlier Firm Closing Date or Delayed Closing Date, and the other party's consent to the earlier date shall not be unreasonably withheld.

(d) If the Vendor fails to give written notice of the conclusion of the Unavoidable Delay in the manner required by paragraph (c) above, then the notice is ineffective, the existing Critical Dates are unchanged, and any delayed closing compensation payable under section 7 is payable from the existing Firm Closing Date.

(e) Any notice setting new Critical Dates given by the Vendor under this section shall include an updated revised Statement of Critical Dates.

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

(a) The Vendor and Purchaser may include conditions in the Purchase Agreement that, if not satisfied, give rise to early termination of the Purchase Agreement, but only in the limited way described in this section.

(b) The Vendor is not permitted to include any conditions in the Purchase Agreement other than: the types of Early Termination Conditions listed in Schedule A; and/or the conditions referred to in paragraphs (j), (k) and (l) below. Any other condition included in a Purchase Agreement for the benefit of the Vendor that is not expressly permitted under Schedule A or paragraphs (j), (k) and (l) below is deemed null and void and is not enforceable by the Vendor, but does not affect the validity of the balance of the Purchase Agreement.

(c) The Vendor confirms that this Purchase Agreement is subject to Early Termination Conditions that, if not satisfied (or waived, if applicable), may result in the termination of the Purchase Agreement. ○ Yes ○ No

(d) If the answer in (c) above is "Yes", then the Early Termination Conditions are as follows. The obligation of each of the Purchaser and Vendor to complete this purchase and sale transaction is subject to satisfaction (or waiver, if applicable) of the following conditions and any such conditions set out in an appendix headed "Early Termination Conditions":

Condition #1 (if applicable)
Description of the Early Termination Condition:

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

The date by which Condition #1 is to be satisfied is the _____day of______________, 20 ______.

Condition #2 (if applicable)
Description of the Early Termination Condition:

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

The date by which Condition #2 is to be satisfied is the ______day of ___________, 20______.

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

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

(e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.

(f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.

(g) For conditions under paragraph 1(a) of Schedule A the following applies:

- (i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
- (ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
- (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.

(h) For conditions under paragraph 1(b) of Schedule A the following applies:

- (i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
- (ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
- (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.

(i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.

(j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.

(k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.

(l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

(a) The Vendor warrants to the Purchaser that, if Closing is delayed beyond the Firm Closing Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of $7,500, which amount includes: (i) payment to the Purchaser of a set amount of $150 a day for living expenses for each day of delay until the date of Closing; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.

(b) Delayed closing compensation is payable only if: (i) Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 10(b) of this Addendum. Delayed closing compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Closing, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.

(c) If the Vendor gives written notice of a Delayed Closing Date to the Purchaser less than 10 days before the Firm Closing Date, contrary to the requirements of paragraph 3(c), then delayed closing compensation is payable from the date that is 10 days before the Firm Closing Date.

(d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of $150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed closing compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed closing compensation in connection with a claim.

(e) If delayed closing compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Closing or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed closing compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:

  (i) includes the Vendor's assessment of the delayed closing compensation payable;
  (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delay compensation payable by the Vendor.

(f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Closing. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 10(b), in which case, the deadline for a claim is one (1) year after termination.

8. Adjustments to Purchase Price

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

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

(a) On or before Closing, the Vendor shall deliver to the Purchaser:

  (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or
  (ii) if an Occupancy Permit is not required under the Building Code, a signed written confirmation by the Vendor that all conditions of occupancy under the Building Code have been fulfilled and occupancy is permitted under the Building Code.

(b) Notwithstanding the requirements of paragraph (a), to the extent that the Purchaser and the Vendor agree that the Purchaser shall be responsible for one or more prerequisites to obtaining permission for occupancy under the Building Code, (the "Purchaser Occupancy Obligations"):

(i) the Purchaser shall not be entitled to delayed closing compensation if the reason for the delay is that the Purchaser Occupancy Obligations have not been completed;
(ii) the Vendor shall deliver to the Purchaser, upon fulfilling all prerequisites to obtaining permission for occupancy under the Building Code (other than the Purchaser Occupancy Obligations), a signed written confirmation that the Vendor has fulfilled such prerequisites; and
(iii) if the Purchaser and Vendor have agreed that such prerequisites (other than the Purchaser Occupancy Obligations) are to be fulfilled prior to Closing, then the Vendor shall provide the signed written confirmation required by subparagraph (ii) on or before the date of Closing.

(c) If the Vendor cannot satisfy the requirements of paragraph (a) or subparagraph (b)(ii), the Vendor shall set a Delayed Closing Date (or new Delayed Closing Date) on a date that the Vendor reasonably expects to have satisfied the requirements of paragraph (a) or subparagraph (b)(ii), as the case may be. In setting the Delayed Closing Date (or new Delayed Closing Date), the Vendor shall comply with the requirements of section 3, and delayed closing compensation shall be payable in accordance with section 7. Despite the foregoing, delayed closing compensation shall not be payable for a delay under this paragraph (c) if the inability to satisfy the requirements of subparagraph (b)(ii) above is because the Purchaser has failed to satisfy the Purchaser Occupancy Obligations.

(d) For the purposes of this section, an "Occupancy Permit" means any written or electronic document, however styled, whether final, provisional or temporary, provided by the chief building official (as defined in the *Building Code Act*) or a person designated by the chief building official, that evidences that permission to occupy the home under the Building Code has been granted.

10. Termination of the Purchase Agreement

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

11. Refund of Monies Paid on Termination

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

12. Definitions

"Business Day" means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.
"Closing" means the completion of the sale of the home including transfer of title to the home to the Purchaser, and **"Close"** has a corresponding meaning.
"Commencement of Construction" means the commencement of construction of foundation components or elements (such as footings, rafts or piles) for the home.

"Critical Dates" means the First Tentative Closing Date, the Second Tentative Closing Date, the Firm Closing Date, the Delayed Closing Date, the Outside Closing Date and the last day of the Purchaser's Termination Period.
"Delayed Closing Date" means the date, set in accordance with section 3, on which the Vendor agrees to Close, in the event the Vendor cannot Close on the Firm Closing Date.
"Early Termination Conditions" means the types of conditions listed in Schedule A.
"Firm Closing Date" means the firm date on which the Vendor agrees to Close as set in accordance with this Addendum.
"First Tentative Closing Date" means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that it will be able to close, as set out in the Statement of Critical Dates.
"Outside Closing Date" means the date which is 365 days after the earlier of the Firm Closing Date; or Second Tentative Closing Date; or such other date as may be mutually agreed upon in accordance with section 4.
"Property" or "home" means the home including lands being acquired by the Purchaser from the Vendor.
"Purchaser's Termination Period" means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 10(b).
"Second Tentative Closing Date" has the meaning given to it in paragraph 1(c).
"Statement of Critical Dates" means the Statement of Critical Dates attached to and forming part of this Addendum (in form to be determined by Tarion from time to time), and, if applicable, as amended in accordance with this Addendum.
"The ONHWP Act" means the *Ontario New Home Warranties Plan Act* including regulations, as amended from time to time.
"Unavoidable Delay" means an event which delays Closing which is a strike, fire, explosion, flood, act of God, civil insurrection, act of war, act of terrorism or pandemic, plus any period of delay directly caused by the event, which are beyond the reasonable control of the Vendor and are not caused or contributed to by the fault of the Vendor.
"Unavoidable Delay Period" means the number of days between the Purchaser's receipt of written notice of the commencement of the Unavoidable Delay, as required by paragraph 5(b), and the date on which the Unavoidable Delay concludes.

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

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

15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

SCHEDULE A

Types of Permitted Early Termination Conditions

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

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

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

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

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

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

2. The following definitions apply in this Schedule:

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

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

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

3. Each condition must:

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

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

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

SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

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

(a) Any charges paid to a utility for the connection and/or energization of services or the installation of meters set at $1000 plus H.S.T.;

(b) The TARION enrolment fee, the HCRA enrolment fee and any other enrolment fees payable in connection with the Property (together with any provincial and/or federal taxes exigible with respect thereto) as of the date of closing.

(c) Realty taxes, adjusted on the Vendor's reasonable estimate as though the Dwelling were fully completed, the Real Property separately assessed, and the taxes paid. (THE PURCHASER IS ADVISED that the Mortgagee may require deposit to be paid to it to establish a tax account. And further, that the Municipality may issue a realty tax bill for supplementary assessment following Closing, which taxes may be in addition to those adjusted with the Vendor, and wholly or partly the responsibility of the Purchaser.)

(d) Any other new taxes imposed on the Property after the date of this Agreement by the federal, provincial, and/or municipal government;

(e) Costs incurred by the Vendor as set forth below:
(i) boulevard landscaping fee set at $ 2500 plus H.S.T.;

(ii) Any increase (the "Price Adjustment") in the Vendor's original budgeted costs for construction costs, material, labour or supplies relating to the construction of the Dwelling (and related services) on the Real Property, occurring after the date of execution of this Agreement by the Purchaser, provided that the Price Adjustment shall not exceed the sum of $___N/A____. The amount of the foregoing Price Adjustment shall be determined solely by the Vendor, acting reasonably, and the determination of the Vendor shall be determinative, final, and not subject to review or dispute by the Purchaser or any other party. On or prior to closing the Vendor shall provide the sworn statutory declaration of a senior officer of the Vendor attesting to the determination of the Price Adjustment and confirming the accuracy of same.

(iii) any charges 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 described as a transaction levy or similar charge: $65.00 plus H.S.T.;

(iv) The amount of any increase in Development Levies attributable to the Property after the date of this Agreement and the amount of any new Development Levies that were not exigible as of the date of issuance with respect to the Property and were subsequently assessed against the Property or attributable to the Property. The amount of the foregoing adjustment shall be determined by a statutory declaration sworn on the part of the Vendor which the Purchaser agrees to accept. The Purchaser acknowledges and agrees that should any of the Development Levies be issued on a bulk basis, the Vendor shall have the right in its sole discretion, to apportion the Development Levies to the Purchaser on a proportionate basis, by dividing the total amount of Development Levies by the number of Dwellings in the project and by charging the Purchaser in the statement of adjustments with that portion of the Development Levies. This charge shall not exceed the sum of $2500.;

(v) the cost of preparing a foundation survey of the Dwelling: $ 1500 plus H.S.T.

(f) a damage deposit for the Purchaser's covenants contained in paragraph 25, in the amount of $ 2500 to be refunded to the original Purchaser without interest, upon request, following municipal assumption of the subdivision services and return of any security deposit given by the Vendor to the Developer or the Municipality provided that the Purchaser named herein remains the registered owner of the Property at the time of such return of security, failing which the damage deposit shall be forfeit to the Vendor and shall be retained by, and be the property of, the Vendor;

(g) an administration fee of $250 plus H.S.T. for any cheque delivered to the Vendor not accepted by the Vendor's bank for any reason;

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.

(h) an administration fee of $N/A plus H.S.T. for the delivery of notices to the Purchaser's solicitor as required pursuant to the Addendum;

(i) -RESERVED-;

(j) An administrative fee of Twenty-five Dollars ($25.00) per wire transfer, where the Vendor or its solicitors permit a payment via wire;

(k) any charge imposed by the Municipality for new municipal numbering for the Real Property; and

(l) The Rebate Fee if the purchaser is not eligible for the Rebate as per section 26

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

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

2. Changing the Firm Closing Date – Three Ways

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

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

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

4. Changing Critical Dates – By Mutual Agreement

(a) This Addendum sets out a framework for setting, extending and/or accelerating Critical dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser.
(b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:

   (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
   (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;
   (iii) the Purchaser acknowledges that the amendment may affect delayed closing compensation payable; and

(iv) if the change involves extending either the Firm Closing Date or the Delayed Closing Date, then the amending agreement shall:

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

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

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

(d) The Vendor and Purchaser may agree in the Purchase Agreement to any unilateral extension or acceleration rights that are for the benefit of the Purchaser.

5. Extending Dates – Due to Unavoidable Delay

(a) If Unavoidable Delay occurs, the Vendor may extend Critical Dates by no more than the length of the Unavoidable Delay Period, without the approval of the Purchaser and without the requirement to pay delayed closing compensation in connection with the Unavoidable Delay, provided the requirements of this section are met.

(b) If the Vendor wishes to extend Critical Dates on account of Unavoidable Delay, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, and an estimate of the duration of the delay. Once the Vendor knows or ought reasonably to know that an Unavoidable Delay has commenced, the Vendor shall provide written notice to the Purchaser by the earlier of: 20 days thereafter; and the next Critical Date.

(c) As soon as reasonably possible, and no later than 20 days after the Vendor knows or ought reasonably to know that an Unavoidable Delay has concluded, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, identifying the date of its conclusion, and setting new Critical Dates. The new Critical Dates are calculated by adding to the then next Critical Date the number of days of the Unavoidable Delay Period (the other Critical Dates changing accordingly), provided that the Firm Closing Date or Delayed Closing Date, as the case may be, must be at least 10 days after the day of giving notice unless the parties agree otherwise. Either the Vendor or the Purchaser may request in writing an earlier Firm Closing Date or Delayed Closing Date, and the other party's consent to the earlier date shall not be unreasonably withheld.

(d) If the Vendor fails to give written notice of the conclusion of the Unavoidable Delay in the manner required by paragraph (c) above, then the notice is ineffective, the existing Critical Dates are unchanged, and any delayed closing compensation payable under section 7 is payable from the existing Firm Closing Date.

(e) Any notice setting new Critical Dates given by the Vendor under this section shall include an updated revised Statement of Critical Dates.

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

(a) The Vendor and Purchaser may include conditions in the Purchase Agreement that, if not satisfied, give rise to early termination of the Purchase Agreement, but only in the limited way described in this section.

(b) The Vendor is not permitted to include any conditions in the Purchase Agreement other than: the types of Early Termination Conditions listed in Schedule A; and/or the conditions referred to in paragraphs (j), (k) and (l) below. Any other condition included in a Purchase Agreement for the benefit of the Vendor that is not expressly permitted under Schedule A or paragraphs (j), (k) and (l) below is deemed null and void and is not enforceable by the Vendor, but does not affect the validity of the balance of the Purchase Agreement.

(c) The Vendor confirms that this Purchase Agreement is subject to Early Termination Conditions that, if not satisfied (or waived, if applicable), may result in the termination of the Purchase Agreement. ○ Yes ○ No

(d) If the answer in (c) above is "Yes", then the Early Termination Conditions are as follows. The obligation of each of the Purchaser and Vendor to complete this purchase and sale transaction is subject to satisfaction (or waiver, if applicable) of the following conditions and any such conditions set out in an appendix headed "Early Termination Conditions":

Condition #1 (if applicable)
Description of the Early Termination Condition:

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

The date by which Condition #1 is to be satisfied is the _____day of______________, 20 ______.

Condition #2 (if applicable)
Description of the Early Termination Condition:

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

The date by which Condition #2 is to be satisfied is the ______day of ___________, 20______.

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

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

(e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.
(f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.
(g) For conditions under paragraph 1(a) of Schedule A the following applies:

- (i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
- (ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
- (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.

(h) For conditions under paragraph 1(b) of Schedule A the following applies:

- (i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
- (ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
- (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.

(i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.
(j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
(k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.
(l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

(a) The Vendor warrants to the Purchaser that, if Closing is delayed beyond the Firm Closing Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of $7,500, which amount includes: (i) payment to the Purchaser of a set amount of $150 a day for living expenses for each day of delay until the date of Closing; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.

(b) Delayed closing compensation is payable only if: (i) Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 10(b) of this Addendum. Delayed closing compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Closing, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.

(c) If the Vendor gives written notice of a Delayed Closing Date to the Purchaser less than 10 days before the Firm Closing Date, contrary to the requirements of paragraph 3(c), then delayed closing compensation is payable from the date that is 10 days before the Firm Closing Date.

(d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of $150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed closing compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed closing compensation in connection with a claim.

(e) If delayed closing compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Closing or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed closing compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:

  (i) includes the Vendor's assessment of the delayed closing compensation payable;
  (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delay compensation payable by the Vendor.

(f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Closing. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 10(b), in which case, the deadline for a claim is one (1) year after termination.

8. Adjustments to Purchase Price

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

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

(a) On or before Closing, the Vendor shall deliver to the Purchaser:
  (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or
  (ii) if an Occupancy Permit is not required under the Building Code, a signed written confirmation by the Vendor that all conditions of occupancy under the Building Code have been fulfilled and occupancy is permitted under the Building Code.

(b) Notwithstanding the requirements of paragraph (a), to the extent that the Purchaser and the Vendor agree that the Purchaser shall be responsible for one or more prerequisites to obtaining permission for occupancy under the Building Code, (the "Purchaser Occupancy Obligations"):

(i) the Purchaser shall not be entitled to delayed closing compensation if the reason for the delay is that the Purchaser Occupancy Obligations have not been completed;
(ii) the Vendor shall deliver to the Purchaser, upon fulfilling all prerequisites to obtaining permission for occupancy under the Building Code (other than the Purchaser Occupancy Obligations), a signed written confirmation that the Vendor has fulfilled such prerequisites; and
(iii) if the Purchaser and Vendor have agreed that such prerequisites (other than the Purchaser Occupancy Obligations) are to be fulfilled prior to Closing, then the Vendor shall provide the signed written confirmation required by subparagraph (ii) on or before the date of Closing.

(c) If the Vendor cannot satisfy the requirements of paragraph (a) or subparagraph (b)(ii), the Vendor shall set a Delayed Closing Date (or new Delayed Closing Date) on a date that the Vendor reasonably expects to have satisfied the requirements of paragraph (a) or subparagraph (b)(ii), as the case may be. In setting the Delayed Closing Date (or new Delayed Closing Date), the Vendor shall comply with the requirements of section 3, and delayed closing compensation shall be payable in accordance with section 7. Despite the foregoing, delayed closing compensation shall not be payable for a delay under this paragraph (c) if the inability to satisfy the requirements of subparagraph (b)(ii) above is because the Purchaser has failed to satisfy the Purchaser Occupancy Obligations.

(d) For the purposes of this section, an “Occupancy Permit” means any written or electronic document, however styled, whether final, provisional or temporary, provided by the chief building official (as defined in the *Building Code Act*) or a person designated by the chief building official, that evidences that permission to occupy the home under the Building Code has been granted.

10. Termination of the Purchase Agreement

(a) The Vendor and the Purchaser may terminate the Purchase Agreement by mutual written agreement. Such written mutual agreement may specify how monies paid by the Purchaser, including deposit(s) and monies for upgrades and extras are to be allocated if not repaid in full.

(b) If for any reason (other than breach of contract by the Purchaser) Closing has not occurred by the Outside Closing Date, then the Purchaser has 30 days to terminate the Purchase Agreement by written notice to the Vendor. If the Purchaser does not provide written notice of termination within such 30-day period then the Purchase Agreement shall continue to be binding on both parties and the Delayed Closing Date shall be the date set under paragraph 3(c), regardless of whether such date is beyond the Outside Closing Date.

(c) If: calendar dates for the applicable Critical Dates are not inserted in the Statement of Critical Dates; or if any date for Closing is expressed in the Purchase Agreement or in any other document to be subject to change depending upon the happening of an event (other than as permitted in this Addendum), then the Purchaser may terminate the Purchase Agreement by written notice to the Vendor.

(d) The Purchase Agreement may be terminated in accordance with the provisions of section 6.

(e) Nothing in this Addendum derogates from any right of termination that either the Purchaser or the Vendor may have at law or in equity on the basis of, for example, frustration of contract or fundamental breach of contract.

(f) Except as permitted in this section, the Purchase Agreement may not be terminated by reason of the Vendor’s delay in Closing alone.

11. Refund of Monies Paid on Termination

(a) If the Purchase Agreement is terminated (other than as a result of breach of contract by the Purchaser), then unless there is agreement to the contrary under paragraph 10(a), the Vendor shall refund all monies paid by the Purchaser including deposit(s) and monies for upgrades and extras, within 10 days of such termination, with interest from the date each amount was paid to the Vendor to the date of refund to the Purchaser. The Purchaser cannot be compelled by the Vendor to execute a release of the Vendor as a prerequisite to obtaining the refund of monies payable as a result of termination of the Purchase Agreement under this paragraph, although the Purchaser may be required to sign a written acknowledgement confirming the amount of monies refunded and termination of the purchase transaction. Nothing in this Addendum prevents the Vendor and Purchaser from entering into such other termination agreement and/or release as may be agreed to by the parties.

(b) The rate of interest payable on the Purchaser’s monies is 2% less than the minimum rate at which the Bank of Canada makes short-term advances to members of Canada Payments Association, as of the date of termination of the Purchase Agreement.

(c) Notwithstanding paragraphs (a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

12. Definitions

“Business Day” means any day other than: Saturday; Sunday; New Year’s Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and where New Year’s Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.
“Closing” means the completion of the sale of the home including transfer of title to the home to the Purchaser, and **“Close”** has a corresponding meaning.
“Commencement of Construction” means the commencement of construction of foundation components or elements (such as footings, rafts or piles) for the home.

"Critical Dates" means the First Tentative Closing Date, the Second Tentative Closing Date, the Firm Closing Date, the Delayed Closing Date, the Outside Closing Date and the last day of the Purchaser's Termination Period.
"Delayed Closing Date" means the date, set in accordance with section 3, on which the Vendor agrees to Close, in the event the Vendor cannot Close on the Firm Closing Date.
"Early Termination Conditions" means the types of conditions listed in Schedule A.
"Firm Closing Date" means the firm date on which the Vendor agrees to Close as set in accordance with this Addendum.
"First Tentative Closing Date" means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that it will be able to close, as set out in the Statement of Critical Dates.
"Outside Closing Date" means the date which is 365 days after the earlier of the Firm Closing Date; or Second Tentative Closing Date; or such other date as may be mutually agreed upon in accordance with section 4.
"Property" or "home" means the home including lands being acquired by the Purchaser from the Vendor.
"Purchaser's Termination Period" means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 10(b).
"Second Tentative Closing Date" has the meaning given to it in paragraph 1(c).
"Statement of Critical Dates" means the Statement of Critical Dates attached to and forming part of this Addendum (in form to be determined by Tarion from time to time), and, if applicable, as amended in accordance with this Addendum.
"The ONHWP Act" means the *Ontario New Home Warranties Plan Act* including regulations, as amended from time to time.
"Unavoidable Delay" means an event which delays Closing which is a strike, fire, explosion, flood, act of God, civil insurrection, act of war, act of terrorism or pandemic, plus any period of delay directly caused by the event, which are beyond the reasonable control of the Vendor and are not caused or contributed to by the fault of the Vendor.
"Unavoidable Delay Period" means the number of days between the Purchaser's receipt of written notice of the commencement of the Unavoidable Delay, as required by paragraph 5(b), and the date on which the Unavoidable Delay concludes.

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

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

15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

SCHEDULE A

Types of Permitted Early Termination Conditions

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

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

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

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

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

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

2. The following definitions apply in this Schedule:

"Approval" means an approval, consent or permission (in final form not subject to appeal) from an Approving Authority and may include completion of necessary agreements (i.e., site plan agreement) to allow lawful access to and use and Closing of the property for its intended residential purpose.
"Approving Authority" means a government (federal, provincial or municipal), governmental agency, Crown corporation, or quasi-governmental authority (a privately operated organization exercising authority delegated by legislation or a government).
"Freehold Project" means the construction or proposed construction of three or more freehold homes (including the Purchaser's home) by the same Vendor in a single location, either at the same time or consecutively, as a single coordinated undertaking.

3. Each condition must:

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

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

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

SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

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

(a) Any charges paid to a utility for the connection and/or energization of services or the installation of meters set at $1000 plus H.S.T.;

(b) The TARION enrolment fee, the HCRA enrolment fee and any other enrolment fees payable in connection with the Property (together with any provincial and/or federal taxes exigible with respect thereto) as of the date of closing.

(c) Realty taxes, adjusted on the Vendor's reasonable estimate as though the Dwelling were fully completed, the Real Property separately assessed, and the taxes paid. (THE PURCHASER IS ADVISED that the Mortgagee may require deposit to be paid to it to establish a tax account. And further, that the Municipality may issue a realty tax bill for supplementary assessment following Closing, which taxes may be in addition to those adjusted with the Vendor, and wholly or partly the responsibility of the Purchaser.)

(d) Any other new taxes imposed on the Property after the date of this Agreement by the federal, provincial, and/or municipal government;

(e) Costs incurred by the Vendor as set forth below:
(i) boulevard landscaping fee set at $ 2500 plus H.S.T.;

(ii) Any increase (the "Price Adjustment") in the Vendor's original budgeted costs for construction costs, material, labour or supplies relating to the construction of the Dwelling (and related services) on the Real Property, occurring after the date of execution of this Agreement by the Purchaser, provided that the Price Adjustment shall not exceed the sum of $___N/A____. The amount of the foregoing Price Adjustment shall be determined solely by the Vendor, acting reasonably, and the determination of the Vendor shall be determinative, final, and not subject to review or dispute by the Purchaser or any other party. On or prior to closing the Vendor shall provide the sworn statutory declaration of a senior officer of the Vendor attesting to the determination of the Price Adjustment and confirming the accuracy of same.

(iii) any charges 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 described as a transaction levy or similar charge: $65.00 plus H.S.T.;

(iv) The amount of any increase in Development Levies attributable to the Property after the date of this Agreement and the amount of any new Development Levies that were not exigible as of the date of issuance with respect to the Property and were subsequently assessed against the Property or attributable to the Property. The amount of the foregoing adjustment shall be determined by a statutory declaration sworn on the part of the Vendor which the Purchaser agrees to accept. The Purchaser acknowledges and agrees that should any of the Development Levies be issued on a bulk basis, the Vendor shall have the right in its sole discretion, to apportion the Development Levies to the Purchaser on a proportionate basis, by dividing the total amount of Development Levies by the number of Dwellings in the project and by charging the Purchaser in the statement of adjustments with that portion of the Development Levies. This charge shall not exceed the sum of $2500.;

(v) the cost of preparing a foundation survey of the Dwelling: $ 1500 plus H.S.T.

(f) a damage deposit for the Purchaser's covenants contained in paragraph 25, in the amount of $ 2500 to be refunded to the original Purchaser without interest, upon request, following municipal assumption of the subdivision services and return of any security deposit given by the Vendor to the Developer or the Municipality provided that the Purchaser named herein remains the registered owner of the Property at the time of such return of security, failing which the damage deposit shall be forfeit to the Vendor and shall be retained by, and be the property of, the Vendor;

(g) an administration fee of $250 plus H.S.T. for any cheque delivered to the Vendor not accepted by the Vendor's bank for any reason;

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.

(h) an administration fee of $N/A plus H.S.T. for the delivery of notices to the Purchaser ' s solicitor as required pursuant to the Addendum;

(i) -RESERVED-;

(j) An administrative fee of Twenty-five Dollars ($25.00) per wire transfer, where the Vendor or its solicitors permit a payment via wire;

(k) any charge imposed by the Municipality for new municipal numbering for the Real Property; and

(l) The Rebate Fee if the purchaser is not eligible for the Rebate as per section 26

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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.

Register your purchase agreement! See Important Next Steps below.

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 first warranty form submission 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

Client: ____________

Client: ____________

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.

Client: ____________

Client: ____________

TARION

5160 Yonge Street, 7th Floor
Toronto, ON M2N 6L9
877.982.7466 | tarion.com

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. Start your new home buying journey off right by registering your purchase agreement for your new home with Tarion. It's simple, fast, and allows Tarion to start providing you with key information on your builder's warranty coverage and other protections before you get the keys to your new home. Register here: https://myhome.tarion.com/s/purchase-agreement-registration

2. 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.

3. Prepare for your pre-delivery inspection (PDI). Visit Tarion's website for helpful resources, including a PDI Checklist and educational videos.

4. 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

Client: ____________

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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

Client: ____________

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