Court File No.: CL-26-00000005-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

WINDSOR PRIVATE CAPITAL LIMITED PARTNERSHIP
and WINDSOR II LIMITED PARTNERSHIP

Applicants

- and -

2352107 ONTARIO INC.

Respondent

FIRST REPORT OF ALBERT GELMAN INC. AS COURT-APPOINTED RECEIVER

JANUARY 27, 2026

1.0 INTRODUCTION

1. This report (the "**Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as receiver (in such capacity, the "**Receiver**") of the real property municipally known as 175 Melvin Robson Avenue, Aurora, Ontario (the "**Real Property**"), and all assets, undertakings and properties of 2352107 Ontario Inc. (the "**Company**") situated on, arising from, used in connection with or otherwise relating to the Real Property, including all proceeds thereof.

2. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on January 23, 2026 (the "**Receivership Order**"), AGI was appointed Receiver.

A copy of the Receivership Order and the Endorsement of the Honourable Justice Steele dated January 23, 2026 are attached collectively as **Appendix "A"**.

3. The Company is the registered owner of the Real Property, which is in the process of being developed as a multi-phased mixed-use commercial development known as 'Aurora Mills Business Park' (the "**Project**").

4. Phase one of the Project is comprised of Blocks 1, 5 and 6 ("**Phase 1**"). Block 1 of the Project has been developed as a retail plaza (the "**Retail Plaza**") and is currently subject to existing leases with three commercial tenants, including Starbucks, Dairy Queen and Carbone Pizza. Blocks 5 and 6 of the Project are being developed with a total of 24 industrial condominium units (collectively, the "**Condo Units**", each a "**Condo Unit**").

5. The Company holds legal title to the Real Property as nominee and bare trustee for 2374563 Ontario Limited and 2372754 Ontario Limited, each holding a 50% beneficial interest in the Real Property pursuant to a Joint Venture Agreement dated July 18, 2013.

6. This Report is filed in support of the Receiver's motion for the following orders:[1]

   (a) vesting the Company's right, title and interest in the Retail Plaza in the Retail Purchaser, free and clear of all claims and encumbrances other than Permitted Encumbrances (as defined in the Retail APS), upon the execution and delivery of a certificate by the Receiver confirming completion of the transaction contemplated by the Retail APS;

[1] Capitalized terms used in this paragraph but not defined have the meanings given to them in the following paragraphs below.

(b) vesting the Company's right, title and interest in the applicable Condo Units in the respective purchasers, under the Condo APSs, free and clear of all claims and encumbrances other than permitted encumbrances, upon the execution and delivery of a certificate by the Receiver confirming completion of the applicable transaction; and

(c) sealing Confidential Appendices "1" and "2" pending completion of the proposed transactions or further Order of the Court.

7. The facts underlying the receivership application are more fully set out in the affidavits of Jordan Kupinsky sworn January 9, 2026 (the "**First Affidavit**") and January 22, 2026. A copy of the First Affidavit, without exhibits, is attached hereto as **Appendix "B"**.

2.0 AGREEMENTS OF PURCHASE AND SALE

1. Prior to the Receiver's appointment, the Company entered into the following agreements:

(a) an agreement of purchase and sale between the Company and 2753991 Ontario Inc. (the "**Retail Purchaser**") dated February 18, 2025 in respect of the Retail Plaza (the "**Retail APS**"), a redacted copy of which is attached hereto as **Appendix "C"** and an unredacted copy of which is provided as **Confidential Appendix "1"**; and

(b) agreements of purchase and sale in respect of 20 of the 24 Condo Units (collectively, the "**Condo APSs**", and each, a "**Condo APS**"), redacted copies of which are attached as **Appendices "D1"** to "**D12**", and unredacted copies of which are provided as **Confidential Appendix "2A"** to **"2L"**.

2. The Retail APS did not close as scheduled on January 15, 2026 due to the registration of a construction lien in favour of McQueen Maintenance Inc. in the amount of $98,762, which was registered against title to the Project on December 15, 2025 (the "**McQueen Lien**").

3. No new closing date has been scheduled for the Retail APS and it is currently unknown whether the purchaser intends to complete the transaction.

4. In addition to the McQueen Lien, the Project is subject to the following construction liens (collectively with the McQueen Lien, the "**Construction Liens**"):

(a) a construction lien in favour of Elements Air Systems Inc. in the amount of $826,518, which was registered against title to the Condo Units on December 11, 2025; and

(b) a construction lien in favour of Paul Marques Architect Inc. in the amount of $141,978.20, which was registered against title to the Condo Units on January 23, 2026.

5. Since June 2025, sixteen (16) of the Condo Unit purchasers have been provided interim occupancy of their respective Condo Units.

6. Purchasers of certain Condo Units have raised concerns regarding construction deficiencies affecting the condition, design and conformity of their respective units. Certain purchasers have indicated that they do not intend to close their purchases until the deficiencies are rectified.

7. The Condo APSs originally contemplated closings in or about December 2025. Those closings did not occur as scheduled due to the registration of the Construction Liens and the existence of the construction deficiencies described above.

8. Prior to the Receiver's appointment, counsel to the Company delivered email correspondence to the purchasers of the Condo Units, or their counsel, advising that the scheduled closing dates were being rescheduled to January 31, 2026, in an effort to facilitate completion of the transactions. A sample copy of that correspondence is attached hereto as **Appendix "E"**.

9. It is uncertain how many purchasers of the Condo Unit intend to close their transactions.

3.0 VESTING ORDERS

1. As a result of the Construction Liens, the Company has been unable to complete the Condo Unit sales and convey good and marketable title to purchasers, free and clear of all liens and encumbrances (other than permitted encumbrances), in accordance with the terms of the Retail APS and the Condo APSs.

2. The Receivership Order expressly authorizes the Receiver to complete existing agreements of purchase and sale entered into prior to its appointment. In order to do so, the Receiver requires vesting orders to enable the Receiver to convey title, free and clear of all liens and encumbrances (other than permitted encumbrances).

3. The Receiver is not seeking approval of the Retail APS or the Condo APSs, which were entered into prior to the Receiver's appointment and which the Receiver is authorized to complete without further Court approval pursuant to paragraph 3(m) of the Receivership Order.

4. The Receiver respectfully requests that the Court grant the following orders:

(a) an order vesting the Company's right, title and interest in the Retail Plaza in the Retail Purchaser, free and clear of all claims and encumbrances other than Permitted Encumbrances (as defined in the Retail APS), upon the execution and delivery of a certificate by the Receiver confirming completion of the transaction contemplated by the Retail APS; and

(b) orders vesting the Company's right, title and interest in the Condo Units in the applicable purchasers, under the Condo APSs, free and clear of all claims and encumbrances other than permitted encumbrances, upon the execution and delivery of a certificate by the Receiver confirming completion of the applicable transaction.

5. The following charts identify the encumbrances that are proposed to be deleted from title on closing. The specific instruments to be deleted are described in detail in Schedule "C" to each of the vesting orders.

Retail Plaza:

Instrument Type	**Principal Amount**	**Registered In Favour Of**
Charge and Related Instruments	$16,000,000	Belmont Mortgage Administration Limited, John Carlisle and Madiana Carlisle, as transferred from time to time, and currently held by First Mortgage Administration Corp. and Olympia Trust Company
Charge and Related Instruments	$25,000,000	Windsor Private Capital Inc., as transferred from time to time, and currently held by WPC GP I Inc. and Windsor Private Capital Limited Partnership

Charge and Related Instruments	$110,000,000	National Bank of Canada
Charge and Related Instruments	$40,000,000	Westmount Guarantee Services Inc.
Construction Lien	$98,762	McQueen Maintenance Inc.

Condo Units (all Condo Units share the same encumbrances):

Instrument Type	**Principal Amount**	**Registered In Favour Of**
Charge and Related Instruments	$16,000,000	Belmont Mortgage Administration Limited, John Carlisle and Madiana Carlisle, as transferred from time to time, and currently held by First Mortgage Administration Corp. and Olympia Trust Company
Charge and Related Instruments	$25,000,000	Windsor Private Capital Inc., as transferred from time to time, and currently held by WPC GP I Inc. and Windsor Private Capital Limited Partnership
Charge and Related Instruments	$110,000,000	National Bank of Canada
Charge and Related Instruments	$40,000,000	Westmount Guarantee Services Inc.
Construction Lien and Related Certificate of Action	$826,518	Elements Air Systems Inc.
Construction Lien	$98,762	McQueen Maintenance Inc.
Construction Lien	$141,978	Paul Marques Architect Inc.

4.0 SEALING ORDER

1. The Receiver is of the view that **Confidential Appendices "1"** and **"2"** should be filed with the Court on a confidential basis and remain sealed pending further order of the Court or closing of the transactions. The APSs contain commercially sensitive information that if publicly disclosed, may negatively impact any future marketing and sale of the Retail Plaza and/or the Condo Units if the respective transactions do not close.

2. The Receiver is of the view that no person will be prejudiced by the sealing order.

3. The salutary effects of sealing such information from the public record greatly outweigh the deleterious effects of doing so under the circumstances. The Receiver is of the view that the sealing of **Confidential Appendices "1"** and **"2"** is consistent with the decision in *Sherman Estate v. Donovan*, 2021 SCC 25. Accordingly, the Receiver believes the proposed sealing order is appropriate in the circumstances.

5.0 CONCLUSION AND RECOMMENDATION

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court grant the Orders detailed in Section 1.0(6) of this Report.

All of which is respectfully submitted,

ALBERT GELMAN INC.,
Solely in its capacity as Court-appointed
Receiver, and not in its personal capacity



_____
Per: Tom McElroy, CIRP, LIT

Appendix “A”

Court File No.: CL-26-00000005-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	FRIDAY, THE 23rd
	)	
JUSTICE STEELE	)	DAY OF JANUARY, 2026

WINDSOR PRIVATE CAPITAL LIMITED PARTNERSHIP
and WINDSOR II LIMITED PARTNERSHIP

Applicants

- and -

2352107 ONTARIO INC.

Respondent

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicants for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Albert Gelman Inc. ("**AGI**") as receiver (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2352107 Ontario Inc. (the "**Debtor**"), acquired for, or used in relation to a business carried on by the Debtor, was heard this day by Zoom videoconference.

ON READING the affidavits of Jordan Kupinsky sworn on January 9, 2026 (the "**Kupinsky Affidavit**") and January 22, 2026, and the exhibits thereto, the affidavit of Nick Tsimidis and Anthony Abate sworn on behalf of 2352107 Ontario Inc. on January 20, 2026, and the exhibits thereto, the Endorsement of the Honourable Justice Steele dated January 16, 2026,

and on hearing the submissions of counsel for the Applicants, the Respondent, and such other counsel or parties as were present, no one appearing for any other party although duly served, as appears from the Affidavit of Service of David Im sworn January 12, 2026 and the Affidavit of Service of Karen Jones sworn January 22, 2026, and on reading the consent of AGI to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, AGI is hereby appointed Receiver, without security, of the real property municipally known as 175 Melvin Robson Avenue, Aurora, Ontario, and legally described in the PINs listed in Schedule "A" attached hereto (the "**Real Property**"), and all assets, undertakings and properties of the Debtor situated on, arising from, used in connection with or otherwise relating to the Real Property, including all proceeds thereof (collectively, the "**Property**").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent

security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

(d) to complete construction of and remediate Phase 1 (as defined in the Kupinsky Affidavit) construction deficiencies, as necessary;

(e) to engage contractors, trades, engineers, architects, consultants, cost consultants, construction managers, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

(g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(h) to settle, extend or compromise any indebtedness owing to the Debtor;

(i) to deal with any construction lien or trust claims that have been or may be registered or which arise in respect of the Property, including any part or parts thereof;

(j) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(k) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(l) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(m) to complete any existing agreements of purchase and sale in respect of the Property, or any part or parts thereof, if appropriate, without Court approval, in respect of any such transaction;

(n) with the approval of this Court, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business, and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act, or section 31 of the Ontario Mortgages Act, as the case may be, shall not be required;

(o) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(p) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(q) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(r) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(s) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(t) to make payments, as required, under any contract in relation to the Project, without assuming any liability or obligations thereunder;

(u) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(v) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, (iii) all construction managers, project managers, contractors, subcontractors, trades, engineers, surveyors, consultants, cost consultants and service providers, and all other persons acting on their instructions or behalf, and (iv) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith

advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or

relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "B"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

RETENTION OF COUNSEL

25. **THIS COURT ORDERS** that the Receiver may retain lawyers, including the Applicants' lawyers, to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order. Such lawyers may include Chaitons LLP, lawyers for the Applicants herein, in respect of any matter where the Receiver is satisfied that there is no actual or potential conflict of interest. The Receiver shall, however, retain independent lawyers in respect of any legal advice or services where a conflict exists, or may exist.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at https://commerciallist.com/resources) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: 'https://www.albertgelman.com/filedocuments/#2352107'.

27. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. **THIS COURT ORDERS** that the Applicants shall have their costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicants' security or, if not so provided by the Applicants' security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Jana Steele

Digitally signed by Jana Steele
Date: 2026.01.23 18:07:15 -05'00'

A1076

SCHEDULE "A"

REAL PROPERTY

Municipal Address: 175 Melvin Robson Avenue, Aurora, Ontario

PIN: 03620-1755 (LT)

Legal Description: PART LOT 26 CONCESSION 3 WHITCHURCH, PARTS 1, 2, 3 & 4 ON EXPROPRIATION PLAN YR2201826 SAVE AND EXCEPT PARTS 1, 2, 3, 4, 5 & 6, 65R38655; TOWN OF AURORA

Block 1

PIN: 03620-1777 (LT)

Legal Description: BLOCK 1, PLAN 65M4790 EXCEPT PART 3, 65R40652; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3537823; SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 PLAN 65R40569 AS IN YR3604003; SUBJECT TO AN EASEMENT AS IN YR3608232; TOWN OF AURORA

Block 2

PIN: 03620-1779 (LT)

Legal Description: BLOCK 2, PLAN 65M4790 EXCEPT PART 4, 65R40652; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3537823; SUBJECT TO AN EASEMENT AS IN YR3608232; TOWN OF AURORA

Block 3

PIN: 03620-1761 (LT)

Legal Description: BLOCK 3, PLAN 65M4790; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3537823; SUBJECT TO AN EASEMENT IN GROSS OVER PART 2 PLAN 65R40569 AS IN YR3603990; SUBJECT TO AN EASEMENT AS IN YR3608232; TOWN OF AURORA

Block 4

PIN: 03620-1762 (LT)

Legal Description: BLOCK 4, PLAN 65M4790; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3537823; SUBJECT TO AN EASEMENT IN GROSS OVER PART 3 PLAN 65R40569 AS IN YR3603995; SUBJECT TO AN EASEMENT AS IN YR3608232; TOWN OF AURORA

Block 5 & 6

PIN: 30132-0001

Legal Description: UNIT 1, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN: 30132-0002

Legal Description: UNIT 2, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN: 30132-0003

Legal Description: UNIT 3, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN: 30132-0004

Legal Description: UNIT 4, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN: 30132-0005

Legal Description: UNIT 5, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN:	30132-0006
Legal Description:	UNIT 6, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0007
Legal Description:	UNIT 7, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0008
Legal Description:	UNIT 8, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0009
Legal Description:	UNIT 9, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0010
Legal Description:	UNIT 10, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0011
Legal Description:	UNIT 11, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0012
Legal Description:	UNIT 12, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN:	30132-0013
Legal Description:	UNIT 13, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0014
Legal Description:	UNIT 14, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0015
Legal Description:	UNIT 15, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0016
Legal Description:	UNIT 16, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0017
Legal Description:	UNIT 17, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0018
Legal Description:	UNIT 18, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA
PIN:	30132-0019
Legal Description:	UNIT 19, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN: 30132-0020

Legal Description: UNIT 20, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN: 30132-0021

Legal Description: UNIT 21, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN: 30132-0022

Legal Description: UNIT 22, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN: 30132-0023

Legal Description: UNIT 23, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

PIN: 30132-0024

Legal Description: UNIT 24, LEVEL 1, YORK REGION STANDARD CONDOMINIUM PLAN NO. 1600 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3868859; TOWN OF AURORA

Block 7

PIN: 03620-1765 (LT)

Legal Description: BLOCK 7, PLAN 65M4790; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3537823; SUBJECT TO AN EASEMENT AS IN YR3608232; TOWN OF AURORA

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "**Receiver**") of the Property (as defined in the Order (defined below)) of 2352107 Ontario Inc. appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

ALBERT GELMAN INC., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

A1084

WINDSOR PRIVATE CAPITAL LIMITED PARTNERSHIP and WINDSOR II LIMITED PARTNERSHIP

-and-

2352107 ONTARIO INC.

Applicants

Respondent

Court File No.: CL-26-00000005-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

ORDER

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Toronto, Ontario M2N 7E9

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Lawyers for the Applicants

ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-26-00000005-0000 **DATE: [[Friday-January 23-2026]]**

NO. ON LIST: 3

TITLE OF PROCEEDING: WINDSOR PRIVATE CAPITAL LIMITED PARTNERSHIP; WINDSOR II LIMITED PARTNERSHIP v. 2352107 Ontario Inc.

BEFORE: JUSTICE J. STEELE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
HARVEY CHAITON DAVID IM LIAM SCANLON	WINDSOR PRIVATE CAPITAL LIMITED PARTNERSHIP	harvey@chaitons.com dim@chaitons.com lscanlon@chaitons.com
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For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
IAN CANTOR	2352107 Ontario Inc.	icantor@rarlitigation.com
WENDY NGAI	2352107 Ontario Inc.	wngai@rarlitigation.com
STEPHANIE FERNANDES	Counsel for National Bank of Canada	sfernandes@tgf.ca
DAVID MAHONY	Lawyer for Orion Wall Systems and XLN Design and Build, Haven Creditors	dmahony@tutanota.com
OBSERVER: James MacLellan		
ANTHONY ABATE	Respondent's Director	anthony.abate@havendevelopments.ca
OBSERVER: PAOLA ABATE		paolo.abate@havendevelopments.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
OBSERVER CLIENT: Jordan	Partner Windsor Private Capital	
OBSERVER: HARIS MASOOD	Analyst at Windsor	
OBSERVER: HIZIR TIFTIKCI	Orion Wall Systems Inc	hizir@orionwall.com
OBSERVER: NICK TSIMIDIS (Self-Represented)	First Mortgage Administration Corp - a secured mortgagee	nick.tsimidis@unioncapital.ca
OBSERVER: AARON ENGLISH	Project Counsel for the Aurora Mills project	aenglish@torkinmanes.com

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ENDORSEMENT OF JUSTICE STEELE:

[1] The applicants seek the appointment of Albert Gelman Inc. as receiver of the property municipally located at 175 Melvin Robson Avenue, Aurora, Ontario together with all assets of the Debtor on or relating to the Real Property.

[2] Albert Gelman Inc. has consented to act as Receiver.

[3] Defined terms used in this endorsement have the meaning set out in the applicants' factum.

[4] The matter first came before me on January 16, 2026. Certain individuals, who are officers and/or directors of 2352107 Ontario Inc. ("235") requested an adjournment. I granted a short adjournment to give them the opportunity to file materials.

[5] At the return today, there was a discussion regarding whether the individuals who had filed materials, Nick Tsimidis and Anthony Abate, were acting on behalf of the Debtor, 235. Having reviewed the written submissions and heard the oral submissions, I do not need to determine the issue of whether these individuals should be granted leave of the court under Rule 15.01(2).

[6] Mr. Abate, in his oral submissions, agreed that the applicants are secured creditors, and the Court has jurisdiction to appoint a receiver. He was concerned, among other things, about the factual record. Mr. Abate indicated that their goal was to preserve value and ensure transparency going forward. Their preference was for a limited scope receivership.

[7] I would note that there are allegations of mismanagement made by Windsor that are disputed.

[8] The only issue before me is whether to appoint Albert Gelman Inc. as receiver over the Property.

[9] Under section 101 of the *Courts of Justice Act* and section 243(1) of the *Bankruptcy and Insolvency Act*, the Court may appoint a receiver where it is "just or convenient" to do so.

[10] In determining whether it is "just or convenient" to appoint a receiver, the Court must consider "all of the circumstances but in particular the nature of the property and the rights and interests of all relevant parties:" *Nova Scotia v. Freure Village on Clair Creek*, 1996 CanLII 8258 (ONSC) at para. 10. The discretionary factors that the Court has historically considered in determining whether it is appropriate to appoint a receiver were recently summarized by the Court in *C&K Mortgage et al v. 11282751 Canada Inc. et al*, 2024 ONSC 1039, at para. 19.

[11] I am satisfied that it is just or convenient in the circumstances to appoint a receiver.

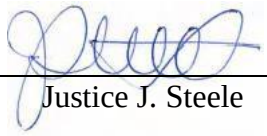
[12] Although the appointment of a receiver is generally an extraordinary remedy, the extraordinary nature of the remedy is reduced where the applicant is merely seeking to enforce a term of an agreement that was agreed to by both parties: *Elleway Acquisitions Ltd. v. Cruise Professionals Ltd.*, 2013 ONSC 6866, at para. 27.

[13] The Debtor is the registered owner of the Real Property, which is in the process of being developed as part of a multi-phased mixed-use commercial development project. The Debtor holds legal title to the Real Property as nominee for the Beneficial Owners. Phase 1 of the Project is near completion; however, there are now multiple construction liens registered on the Real Property and there are certain construction deficiencies, which has resulted in some purchasers refusing to close on their units until the deficiencies are remedied. Mr. Kupinsky's evidence is that because of a lack of available liquidity, the Debtor is unable fix these deficiencies and/or discharge the construction liens, which impairs the Debtor's ability to complete the sale of the retail plaza and industrial condominium units.

[14] The Debtor owes Windsor approx. $75 million. The Debtor is in default. The terms of the Security allow for the appointment of a receiver upon default. Demand letters and Notices of Intention to Enforce Security under section 244 of the BIA have been sent to the Debtor and the Beneficial Owners. Windsor's position is that they will not advance further money for the Project unless a full receivership is granted. No viable alternative has been proposed other than a receivership.

[15] I am satisfied that it is just and convenient in the circumstances to appoint a receiver to take possession of, preserve, and realize upon the Property through a transparent, orderly and court-supervised process that will permit the completion and sale of the existing purchase agreements with a court vesting order and to market and sell the balance of the Property for the benefit of the stakeholders. The form of Order sought is substantially consistent with the Commercial List Model Order with a few changes to, among other things, include certain powers specific to this matter such as the completion and construction and remediation of Phase 1, and addressing construction lien claims.

[16] Order to go in the form signed by me today, with immediate effect.



Date: Jan 23, 2026

Justice J. Steele

Appendix “B”

Court File No.: CL-26-00000005-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

WINDSOR PRIVATE CAPITAL LIMITED PARTNERSHIP
and WINDSOR II LIMITED PARTNERSHIP

Applicants

- and -

2352107 ONTARIO INC.

Respondent

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, RSO 1990, c. C.43, AS AMENDED

AFFIDAVIT OF JORDAN KUPINSKY

(sworn January 9, 2026)

I, Jordan Kupinsky, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

1. I am a Vice-President of WPC GP I Inc. ("**Windsor GP I**") and WPC GP II Inc., which are the general partners of Windsor Private Capital Limited Partnership ("**Windsor I**") and Windsor II Limited Partnership ("**Windsor II**"), respectively. Windsor I and Windsor II (collectively, "**Windsor**") are private investment funds managed by Windsor Private Capital ("**WPC**"). The facts below are within my personal knowledge or determined from the face of the documents attached as exhibits and from information and advice provided to me by others. When

matters are based upon information and advice received from others, I have identified the source of the information and advice and believe it to be true.

2. This affidavit is sworn in support of an application by Windsor to appoint Albert Gelman Inc. ("**AGI**") as receiver (in such capacity, the "**Receiver**") of the real property municipally known as 175 Melvin Robson Avenue, Aurora, Ontario (the "**Real Property**"), together with all personal property of 2352107 Ontario Inc. (the "**Debtor**") situate on, arising from, used in connection with or otherwise relating to the Real Property (collectively, the "**Property**").

THE PARTIES

3. Windsor are private investment funds established as limited partnerships, whose investment strategy focuses on secured lending transactions in the real estate and other industry sectors. Windsor is managed by WPC, a Toronto-based asset management firm.

4. The Debtor is an Ontario corporation with its registered office located at 48 Century Grove Boulevard, Vaughan, Ontario. Anthony Abate, Paolo Abate, Nikolaos Tsimidis, Alessandra Vitaro and Giuseppe Vitaro are directors of the Debtor, all of whom, except Anthony Abate, are also officers of the Debtor. A copy of the Debtor's corporate profile report is attached hereto as **Exhibit "A"**.

THE PROJECT

5. The Debtor is the registered owner of the Real Property, which is in the process of being developed as part of a multi-phased mixed-use commercial development project known as 'Aurora Mills Business Park' (the "**Project**"). The first phase of the Project is comprised of Blocks 1, 5, and 6 ("**Phase 1**").

6. Block 1 of the Project is being developed as a retail plaza comprising approximately 6,000 square feet of retail space.

7. Blocks 5 and 6 of the Project are being developed with a total of 24 industrial condominium units comprising approximately 90,000 square feet of buildable area.

8. Blocks 2, 3, 4 and 7 of the Project (collectively, the "**Future Phases**") is vacant land.

9. The Debtor holds legal title to the Real Property as nominee for 2374563 Ontario Limited ("**563**") and 2372754 Ontario Limited as beneficial owners ("**754**", and together with 563, the "**Beneficial Owners**"), each as to a 50% beneficial interest in the Property, pursuant to a Joint Venture Agreement between the Debtor and the Beneficial Owners dated July 18, 2013, a copy of which is attached hereto as **Exhibit "B"**.

10. 563 is an Ontario corporation with its registered office located in Toronto, Ontario. Anthony Abate, Paolo Abate, Jordan Teperman and Nick Tsimidis are the directors of 563, while Paolo Abate, Justin Rosello and Nick Tsimidis are the officers of 563. A copy of 563's corporate profile report is attached hereto as **Exhibit "C"**.

11. 754 is an Ontario corporation with its registered office located in Kleinburg, Ontario. Alessandro Vitaro and Giuseppe Vitaro are the officers and directors of 754. A copy of 754's corporate profile report is attached hereto as **Exhibit "D"**.

12. Haven Property Services Corp. ("**Haven Services**") is the development manager of the Project and is a related entity to the Debtor, with its registered office in Toronto, Ontario. Anthony Abate, Paolo Abate and Nikolaos Tsimidis, are the officers and directors of Haven Services. A copy of Haven Services' corporate profile report is attached hereto as **Exhibit "E"**.

THE WINDSOR LOANS

13. Pursuant to a loan agreement dated August 11, 2017, as amended by a loan amending agreement dated July 31, 2018 (collectively, the "**2017 Windsor Loan Agreement**"), Windsor I made available to the Debtor a loan in the principal amount of $7,000,000 (the "**2017 Windsor Loan**").

14. As security for the 2017 Windsor Loan, the Debtor granted a charge/mortgage of land in the principal amount of $7,000,000 in favour of Windsor I, which was registered on title to the Real Property on August 17, 2017 as Instrument No. YR2719065 (the "**Windsor Charge**").

15. Pursuant to a loan agreement dated July 18, 2018 (the "**2018 Windsor Loan Agreement**", and together with the 2017 Windsor Loan Agreement, the "**Windsor Loan Agreements**"), Windsor I made available to the Debtor an additional loan in the principal amount of $18,000,000 (the "**2018 Windsor Loan**", and together with the 2017 Windsor Loan, the "**Windsor Loans**"). Copies of the Windsor Loan Agreements are collectively attached hereto as **Exhibit "F"**.

16. The Windsor Loans were advanced to: (i) partially repay indebtedness owing to existing mortgagees, which originally advanced funds for the acquisition of the Real Property; and (ii) provide capital to finance zoning, development and planning applications and related soft costs associated with the Project.

17. As security for the 2018 Windsor Loan, the Windsor Charge was amended to increase the principal amount secured thereby to $25,000,000 by a notice of agreement amending charge registered on title to the Real Property on August 9, 2018 as Instrument No. YR2859711 (the

"**Notice Amending Charge**"). Copies of the Windsor Charge and the Notice Amending Charge are collectively attached hereto as **Exhibit "G"**.

18. The 2017 Windsor Loan and the 2018 Windsor Loan matured on August 11, 2019 and July 31, 2019, respectively, and remain unpaid.

19. Other than a payment in the amount of approximately $7.76 million received on September 12, 2022 from an advance made by National Bank of Canada ("**NBC**") under the NBC Credit Facilities (as defined below), no further payments of principal or interest have been received in respect of the Windsor Loans.

20. Following maturity of the Windsor Loans, Windsor voluntarily forbeared from demanding payment and exercising its rights and remedies under the Windsor Charge on the expectation that the Windsor Loans would be partially repaid from the eventual sale of the Phase 1 retail plaza and the industrial condominium units, together with the fact that the Windsor Loans were also secured by the Future Phases of the Real Property.

21. Windsor's position materially changed in July 2025, when it learned for the first time of significant construction cost overruns, which fundamentally altered Windsor's expectation of the partial repayment of the Windsor Loans from the Phase 1 sale proceeds.

NBC CREDIT FACILITIES AND SECURITY

22. Pursuant to a Credit Agreement dated July 29, 2022, as amended, restated, supplemented or replaced from time to time including, without limitation by the Amending Agreement (as defined below) (collectively, the "**NBC Credit Agreement**"), NBC made available to the Debtor the following demand credit facilities (collectively, the "**NBC Credit Facilities**"):

(a) a non-revolving term construction loan facility in the aggregate principal amount of up to $25,765,000 (the "**NBC Term Facility**") to fund the construction and development of Phase 1; and

(b) a non-revolving letter of credit facility in an amount of up to $1,000,000, which was subsequently increased to $5,000,000, available by way of letters of credit to support Project-specific obligations, including obligations relating to building permits and municipal or utility requirements.

A copy of the initial Credit Agreement is attached hereto as **Exhibit "H"**.

23. Under the NBC Credit Agreement, NBC was also appointed as administrative agent (in such capacity, the "**Administrative Agent**"), with responsibility for administering the NBC Credit Facilities and enforcing the rights and remedies thereunder.

24. Pursuant to section 4.01 of the NBC Credit Agreement, the NBC Credit Facilities are payable upon demand by NBC, in its sole discretion.

25. Pursuant to Article 8 of the NBC Credit Agreement, the Debtor was required to provide regular financial and Project reporting to NBC, including monthly project status reports, disclosure of project costs and cost overruns, aged accounts payable, cash flow information, and prompt notice of any material adverse developments affecting the Project.

26. As security for the NBC Credit Facilities and other obligations under the NBC Credit Agreement, NBC was granted, among other things, the following (collectively, the "**Security**"):

(a) a demand first-ranking collateral mortgage in the principal amount of $110,000,000 granted by the Debtor and registered on title to the Real Property on September 9, 2022 as Instrument No. YR3475219 (the "**NBC Charge**"). A copy of the NBC Charge is attached hereto as **Exhibit "I"**;

(b) a general assignment of rents and leases, notice of which was registered on title to the Real Property on September 9, 2022 as Instrument No. YR3475220;

(c) a site-specific general security agreement (the "**NBC GSA**") granted by the Debtor, creating a security interest in all present and after-acquired personal property of the Debtor used in connection with, arising from, or relating to the Real Property. A copy of the NBC GSA is attached hereto as **Exhibit "J"**;

(d) an assignment of contracts (the "**Assignment of Contracts**") granted by the Debtor, pursuant to which the Debtor assigned to NBC all rights, benefits, and interests in and to construction contracts, consultant agreements, permits, drawings, plans, specifications, and other agreements relating to Phase 1. A copy of the Assignment of Contracts is attached hereto as **Exhibit "K"**;

(e) an assignment of agreements of purchase and sale (the "**APS Assignment Agreement**") granted by the Debtor, pursuant to which the Debtor assigned to NBC all rights, benefits, and proceeds arising from the agreements of purchase and sale for units within Phase 1, including purchaser deposit and prepaid levies. A copy of the APS Assignment Agreement is attached hereto as **Exhibit "L"**;

(f) an Assignment of Development Management Agreement (the "**Development Management Assignment**") granted by the Debtor, pursuant to which the Debtor assigned all of its right, title and interest in and to the Development Management Agreement dated July 31, 2022 with Haven Services, including all benefits and advantages thereunder and any performance bonds issued in connection therewith. A copy of the Development Management Assignment is attached hereto as **Exhibit "M"**;

(g) an Assignment of Cash Collateral (the "**Cash Collateral Assignment**") granted by the Debtor, pursuant to which the Debtor granted NBC a fixed charge and security interest in, and assignment of, all deposit accounts, term deposits and other cash collateral of the Debtor maintained with NBC. A copy of the Cash Collateral Assignment is attached hereto as **Exhibit "N"**;

(h) a Guarantee granted by Haven Property Development Inc. ("**Haven Guarantee**") limited to the sum of $17,176,000 together with interest thereon from the date of demand for payment, at the rate agreed upon between NBC and the Debtor. A copy the Haven Guarantee is attached hereto as **Exhibit "O"**; and

(i) a Guarantee granted by Windsor I (the "**Windsor I Guarantee**") limited to the sum of $8,588,334 together with interest thereon from the date of demand for payment, at the rate agreed upon between NBC and the Debtor. A copy of the Windsor I Guarantee is attached hereto as **Exhibit "P"**.

27. In connection with the NBC Credit Facilities, the Beneficial Owners executed a Beneficial Owners' Agreement dated July 29, 2022 (the "**Beneficial Owners' Agreement**"), pursuant to

which the Beneficial Owners irrevocably authorized and directed the Debtor, as nominee and trustee, to grant the Security in favour of NBC, and granted, mortgaged, charged and assigned to NBC their entire beneficial right, title and interest in and to the Real Property and all proceeds thereof, as security for the obligations owing under the NBC Credit Agreement. A copy of the Beneficial Owners' Agreement is attached hereto as **Exhibit "Q"**.

28. At the time the NBC Credit Facilities were underwritten in 2022, NBC required a guarantee in support of the construction financing. Haven Development did not have the financial capacity to provide the required guarantee to NBC.

29. In order to facilitate the Debtor's ability to obtain construction financing from NBC, Windsor I agreed to provide the Windsor I Guarantee. In consideration for providing the Windsor I Guarantee, Windsor I was granted a profit participation interest equal to 33% of the profits of the Project as set out in Section 4.1 in the co-development agreement among Windsor I, the Debtor and the Beneficial Owners, a copy of which is attached hereto as **Exhibit "R"**.

30. The NBC Charge incorporates Standard Charge Terms 201815 (the "**SCT**"). Pursuant to Section 9 of the SCT, upon the occurrence of an event of default, NBC is entitled, among other things, to apply to a Court to have a receiver or receiver and manager appointed with respect to the Real Property. A copy of the SCT is attached hereto as **Exhibit "S"**.

31. Pursuant to Section 5.3 of the NBC GSA, upon the occurrence of an event of default, NBC is entitled, among other things, to appoint a receiver or receiver and manager of the whole or any part of the Debtor's Property.

32. NBC registered a financing statement against the Debtor and the Beneficial Owners to perfect its security interests in the personal property related to the Project under the *Personal Property Security Act* (Ontario).

REPORTING FAILURES AND LIQUIDITY ISSUES

33. On December 12, 2024, Haven provided financial reporting to Windsor which indicated that, on completion of the sale of Phase 1, approximately $13.7 million of proceeds was expected following the repayment of the NBC Credit Facilities to partially pay down the Windsor Loans (the "**December 2024 Report**"). A copy of the December 2024 Report is attached hereto as **Exhibit "T"**.

34. Following such partial repayment, Windsor would remain as the senior secured creditor over the Future Phases with further construction financing provided by NBC or another construction lender.

35. After repeated requests, an updated version of the December 2024 Report was provided in or about July 2025 (the "**July 2025 Report**"). For the first time, Haven disclosed, among other previously undisclosed expenses, (a) construction cost overruns of approximately $3.1 million, and (b) subdivision letter of credit costs of approximately $3.4 million, both of which materially reduced projected Phase 1 proceeds available to pay down the Windsor Loans from $13.7 million to approximately $5 million. A copy of the July 2025 Report is attached hereto as **Exhibit "U"**.

36. The July 2025 Report materially changed Windsor's understanding of Phase 1's anticipated cash flow and repayment prospects.

37. Further updated projections were provided in August 2025 (the "**August 2025 Report**"), which reported accounts payable of approximately $8.5 million, substantial additional cash collateral requirements, and a reduction of projected Phase 1 sale proceeds available to pay down the Windsor Loans to approximately $2.4 million. A copy of the August 2025 Report is attached hereto as **Exhibit "V"**.

38. By September 2025, Haven provided a further updated analysis (the "**September 2025 Report**"), which reported cost overruns had increased again to in excess of $9.0 million. A copy of the September 2025 Report is attached hereto as **Exhibit "W".**

39. Through discussions with the trades, Windsor became aware that many trade payables had been outstanding for more than twelve months. These payables had not been disclosed to Windsor in prior reporting.

WINDSOR II'S PARTICIPATION IN THE NBC CREDIT FACILITIES

40. In or around February 2025, the Debtor entered into an agreement of purchase and sale for the retail plaza on Block 1 of the Project (the "**Retail APS**"). The Retail APS contemplated a sale subject to existing leases with three commercial tenants, including Starbucks, Dairy Queen and Carbone Pizza. A copy of the Retail APS is attached hereto as **Exhibit "X"**.

41. In 2022, the Debtor entered into agreements of purchase and sale for 20 of the 24 industrial condominium units located on Blocks 5 and 6 of the Project, with an additional agreement of purchase and sale for 1 industrial condominium unit entered into in November 2025 (collectively, the "**Condo APSs**"). At the time the Condo APSs entered into in 2022 were executed, the units were under construction.

42. Between December 2024 and September 2025, 13 construction liens totaling $6,289,529.81 were registered against the Real Property.

43. As the Debtor had run out of liquidity, additional funding was required to discharge the liens and pay outstanding accounts payable relating to Phase 1. However, NBC was not prepared to advance further funds beyond its existing commitments.

44. While Windsor was prepared to provide additional financing, funds advanced under its existing security would have been subordinate to other registered encumbrances on title to the Real Property (as further discussed below).

45. As a result, Windsor and NBC entered into discussions regarding Windsor's participation as a lender in the NBC Credit Facilities to permit Windsor to advance funds to complete the sale of the retail plaza and industrial condominium units.

46. Pursuant to an assignment and assumption agreement dated November 4, 2025 (the "**Assignment and Assumption Agreement**"), NBC assigned and transferred to Windsor II a portion of its interest in the NBC Term Facility in the principal amount of $3,000,000. A copy of the Assignment and Assumption Agreement is attached hereto as **Exhibit "Y"**.

47. The funds advanced by Windsor II were applied to discharge the construction liens and clear other accounts payable in connection with the Project. Clearing these liens was required to stabilize the Project and permit Phase 1 to proceed to complete the sale of the retail plaza and the industrial condominium units.

48. Under the Assignment and Assumption Agreement, Windsor II purchased and assumed NBC's rights and obligations in its capacity as a "Lender" under the NBC Credit Agreement and

the related loan and security documents to the extent of the assigned portion of the NBC Term Facility. NBC remained the Administrative Agent under the NBC Credit Agreement and retained the balance of its secured loan position.

49. Concurrently with the Assignment and Assumption Agreement, the NBC Credit Agreement was amended pursuant to an amending agreement dated November 4, 2025 (the "**Amending Agreement**") to reflect Windsor II's participation as a Lender and to amend certain commercial terms, including:

(a) increasing the maximum amount available under the NBC Term Facility to $28,765,000; and

(b) extending the Final Repayment Date to January 31, 2026.

A copy of the Amending Agreement, which appends the amended Credit Agreement as Schedule "A", is attached hereto as **Exhibit "Z"**.

50. Pursuant to the Amending Agreement, Windsor II agreed that its participation in the NBC Credit Facilities would rank last-out to NBC, such that Windsor II is not entitled to receive any repayment of its share of the Outstanding Obligations unless and until the Outstanding Obligations owing to NBC have been fully and indefeasibly repaid.

51. The Amending Agreement further provides that Windsor II may elect, upon the satisfaction of certain conditions, to purchase all Outstanding Obligations owing to NBC and the security therefor and assume the role of Administrative Agent.

52. Windsor is currently in the process of negotiating the purchase of NBC's debt and security position.

OTHER CREDITORS

53. As reflected in the parcel registers for the subdivided blocks comprising the Project, the following charges are registered on title to the Real Property, in order of priority based on priority agreements:

(a) NBC – a charge/mortgage of land in the principal amount of $110,000,000, which was registered on title to the Real Property on September 9, 2022 as Instrument No. YR3475219, as may be amended from time to time;

(b) Westmount Guarantee Services Inc. ("**Westmount**") – a charge/mortgage of land in the principal amount of $40,000,000, which was registered on title to the Real Property on September 14, 2022 as Instrument No. YR3476837, as may be amended from time to time;

(c) Windsor I – the Windsor Charge, as amended by the Notice Amending Charge; and

(d) Olympia Trust Company and Belmont Mortgage Administration Limited – a charge/mortgage of land in the principal amount of $16,000,000, which was registered on title to the Real Property on July 22, 2013 as Instrument No. YR2007795, as may be amended from time to time.

Copies of the parcel registers for the Real Property are collectively attached hereto as **Exhibit "AA"**.

54. I am also advised by Chaitons that it conducted a search under the Personal Property Security Registration System against the Debtor in the Province of Ontario (the "**PPSA Search**"), a copy of which is attached hereto as **Exhibit "BB"**.

55. The PPSA search confirms that NBC registered financing statements against the Debtor in respect of its security under the NBC Credit Agreement, including security over the Debtor's present and after-acquired personal property relating to the Project.

56. The PPSA search further confirms that Westmount registered a financing statement against the Debtor in connection with purchaser deposits paid pursuant to agreements of purchase and sale for units within the Project.

CURRENT STATUS OF PHASE 1

57. The retail plaza (Block 1) is currently contracted for sale with a target closing date of January 15, 2026. The 21 industrial condominium units (Blocks 5 and 6), currently subject to agreements of purchase and sale, have various target closing dates in January 2026.

58. Immediately after the existing construction liens were cleared through Windsor II's participation in the NBC Credit Facilities, the Debtor disclosed approximately $700,000 in additional trade payables.

59. This disclosure further increased the Debtor's outstanding obligations and confirmed that the financial reporting provided by the Debtor and Haven had been incomplete and unreliable.

60. As of January 2, 2026, the following additional liens are registered against title to the Real Property:

(a) a construction lien in favour of Elements Air Systems Inc. in the amount of $836,518 registered against the industrial condominium units (Blocks 5 and 6 of the Project) on December 11, 2025 as Instrument No. YR3875716; and

(b) a construction lien in favour of McQueen Maintenance Inc. in the amount of $98,762 registered against the entirety of the Project on December 15, 2025 as Instrument No. YR3876733.

61. The deterioration of the Project's financial position has been accompanied by material construction deficiencies in the industrial condominium units. Since interim occupancy commenced in June 2025, multiple purchasers have raised serious concerns regarding the condition, design, and conformity of their units.

62. As a result of these deficiencies, certain purchasers have advised Windsor that they will not close on their units unless and until the deficiencies are remediated, while others have indicated that they may refuse to close altogether.

63. In particular, the purchaser of Units 22, 23 and 24 did not take occupancy and raised concerns arising from the addition of an electrical room to Unit 22, which reduced the ground-floor square footage, as well as a garage-door design issue that impaired drive-in access to the units.

64. The purchasers further identified materials that were not in accordance with the schedules to their agreements of purchase and sale, including the replacement of a floor-to-ceiling 6-inch concrete block wall with a 10-inch fire-rated wall constructed using steel studs and drywall.

65. Windsor engaged in efforts to resolve the garage-door design issue in an attempt to preserve the sales. However, at a meeting in November 2025, the purchaser advised that, due to the substituted drywall construction and related deficiencies, they would not proceed with closing on any of Units 22, 23 or 24. This has resulted in a material reduction in projected sale proceeds of approximately $4.3 million.

66. Based on current reporting, NBC is not expected to be repaid in full from the sale proceeds of Phase 1 with a shortfall of approximately $5 million.

67. Due to a lack of available liquidity, the Debtor is unable to remediate the construction deficiencies and discharge the construction liens, impairing the Debtor's ability to close the purchase and sale agreements relating to the retail plaza and commercial condominium units.

DEMANDS AND BIA NITES

68. By letter dated December 29, 2025, NBC demanded repayment of all amounts owing to NBC under the NBC Credit Facilities from the Debtor (the "**NBC Demand Letter**") and delivered a Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") to the Debtor (the "**NBC NITES**"). Attached hereto collectively as **Exhibit "CC"** are copies of the Demand Letter and NBC NITES.

69. As of December 23, 2025, the total indebtedness owing under the NBC Credit Facilities was approximately $29,544,029.72, excluding the amounts owing to Windsor II thereunder.

70. By letters dated January 6, 2026, NBC demanded repayment of all amounts owing to NBC under the NBC Credit Facilities from the Beneficial Owners (the "**Beneficial Owners Demand Letters**") and delivered Notices of Intention to Enforce Security pursuant to section 244 of the

BIA to the Beneficial Owners (the "**Beneficial Owners NITES**"). Attached hereto collectively as **Exhibit "DD"** are copies of the Beneficial Owners Demand Letters and Beneficial Owners NITES.

71. By letters dated January 6, 2026, Windsor demanded repayment of all amounts owing under the Windsor Loans and as a participant in the NBC Credit Facilities (collectively, the "**Windsor Demand Letters**") and delivered Notices of Intention to Enforce Security pursuant to section 244 of the BIA (collectively, the "**Windsor NITES**") to the Debtor and to the Beneficial Owners. Copies of the Windsor Demand Letters and Windsor NITES are collectively attached hereto as **Exhibit "EE"**.

IT IS JUST AND CONVENIENT TO APPOINT A RECEIVER

72. The Windsor Loans matured in 2019 and remain unpaid. As at the date hereof, Windsor is owed approximately $49.5 million for principal and interest plus costs.

73. The Debtor and Haven have repeatedly failed to provide accurate, complete, and timely financial information, leaving Windsor without reliable visibility into the Debtor's business and financial affairs.

74. The Debtor has no or insufficient liquidity to satisfy trade obligations, remediate construction deficiencies and discharge registered construction liens.

75. In these circumstances, Windsor has lost confidence in the Debtor's ability to complete the agreements of purchase and sale for the retail plaza and industrial condominium units and to complete the Future Phases of the Project to repay the Windsor loans.

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76. In the circumstances, it is just and convenient that a receiver be appointed to take possession of, preserve, and realize upon the Property, including the Real Property, through a transparent, orderly and court-supervised process that permits the completion of the existing agreements of purchase and sale and to market and sell the balance of the Real Property, for the benefit of Windsor and all other stakeholders.

77. AGI has consented to being appointed as Receiver of the Debtor. A copy of AGI's consent is attached hereto as **Exhibit "FF"**.

SWORN BEFORE ME over videoconference on this 9th day of January, 2026. The affiant was located in the City of Toronto, in the Province of Ontario and the commissioner was located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance O. Reg. 431/20, Administering Oath or Declaration Remotely

LSO: 89765G

DAVID IM
Commissioner for Taking Affidavits
(or as may be)

Signed by:
Jordan Kupinsky
3E8054E8CA3D43E...

JORDAN KUPINSKY

Appendix “C”

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AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made as of February 18th, 2025;

BETWEEN:

2352107 ONTARIO INC.
(hereinafter called the **"Vendor")**

- and –

2753991 ONTARIO INC.
(hereinafter called the **"Purchaser"**)

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RECITALS

WHEREAS, the Vendor is the registered owner of the Property (as hereinafter defined); and

WHEREAS, the Vendor wishes to sell the Property to the Purchaser and the Purchaser wishes to purchase the Property from the Vendor, subject to the terms and conditions set out herein.

NOW THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. In this Agreement and in the schedules annexed hereto and in any supplemental or amending agreement, the following capitalized terms shall have the designated meaning unless the context shall otherwise require:

"Acceptance Date" means the date of this Agreement as first written above;

"Agreement" or "**this Agreement**" means the within agreement of purchase and sale (as amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time);

"Assignee" means the person or persons to whom the Purchaser may assign this Agreement in accordance with Section 11.02(a);

"**Assignment and Assumption of Leases**" means an assignment and assumption of leases executed by the Vendor and Purchaser pursuant to which the Vendor is assigning to the Purchaser and the Purchaser is assuming from the Vendor, all of the Vendor's right, title and interest in the Existing Leases and it shall include an indemnity from the Vendor in favour of the Purchaser for the landlord's obligations contained in the Existing Leases in respect of the period prior to Closing and an indemnity from the Purchaser in favour of the Vendor for the landlord's obligations contained in the Existing Leases in respect of the period from and after Closing;

"**Assignment and Assumption of Contracts**" means an assignment and assumption of contracts pursuant to which the Vendor is assigning to the Purchaser and the Purchaser is assuming from the Vendor all, of the Vendor's right, title and interest in the Assumed Contracts and it shall include an indemnity from the Vendor in favour of the Purchaser for the Vendor’s obligations contained in the Assumed Contacts in respect of the period prior to Closing and an indemnity from the Purchaser in favour of the Vendor for the Vendor’s obligations contained in the Assumed Contracts in respect of the period from and after Closing;

"**Assignment and Assumption of Permitted Encumbrances**" means an assignment and assumption of permitted encumbrances pursuant to which the Vendor is assigning to the Purchaser and the Purchaser is assuming from the Vendor, all of the Vendor's right, title, and interest in the Permitted Encumbrances that the Purchaser has agreed to assume and it shall

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include an indemnity from the Vendor in favour of the Purchaser for the Vendor's obligations contained in the Permitted Encumbrances in respect of the period prior to Closing and an indemnity from the Purchaser in favour of the Vendor for the Vendor's obligations contained in the Permitted Encumbrances in respect of the period from and after Closing;

"**Assumed Contracts**" has the meaning ascribed thereto in Section 7.01(c);

"Authority" means any governmental agency, board, branch, department, or other governmental authority whether provincial or municipal having jurisdiction over the Property or over the parties to this Agreement;

"Business Day(s)" means any day of the week excluding Saturday, Sunday, and statutory holidays in the province in which the Property is situated (and, where any date contemplated by this Agreement would otherwise fall on a day that is not a Business Day, then such date shall be deemed to be the first Business Day thereafter);

"Chattels" means all tangible personal property which is owned by the Vendor and that remains moveable and is not affixed to the Lands (or the building located on the Lands) with the intent that it remains permanently affixed to the real property and shall include, without limitation, maintenance, parking and office equipment, blinds and other window coverings, electric light fixtures, furniture, caretaking supplies, tools, and stationery.

"**Claims**" means all past, present and future claims, suits, proceedings, liabilities, obligations, losses, damages, penalties, judgments, costs, expenses, fines, disbursements, legal costs and other professional fees and disbursements, interest, demands and actions of any nature or any kind whatsoever;

"Closing" or **"Closing Date"** means the date which is thirty (30) days following expiry of the Inspection Period, hereinafter defined.

"**Contracts**" means all written contracts and oral contracts relating to the Property;

"Deposits" means the First Deposit and, if then paid, the Second Deposit, all as more particularly provided for in Section 2.02;

"DRA" means the most recent form of the standardized form of document registration agreement approved of by the Law Society of Ontario governing the escrow relationship between the parties until all documents and funds have been exchanged and electronic registration has been effected;

"Due Diligence Materials" means, collectively, the documents and other deliveries set forth in Section 4.02;

"Encumbrances" means all mortgages, pledges, charges, liens, prior liens, debentures, hypothecs, trust deeds, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, the Property or any part thereof or interest therein, and any agreements, leases, options, easements, rights of way, servitudes, licenses,

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restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) against title to the Property or any part thereof or interest therein;

"Environmental Laws" means, collectively, the *Environmental Protection Act*, R.S.O. 1990, c. E.19, and any other legislation, regulation, or any applicable order, decision, or the like rendered by any Authority relating to any Hazardous Substances;

"Estoppel Certificate" means an estoppel certificate substantially in the form of Exhibit A attached hereto, or such other form as is prescribed by the terms of the Tenants' respective Leases;

"Existing Leases" means the Leases in respect of premises located on the Property, which Leases were entered into and/or executed and delivered by the Vendor or the Vendor's predecessor(s) in title, as landlord, with entities/persons, as tenants, the particulars of which are set forth in Schedule 3 attached hereto;

"First Deposit" has the meaning ascribed thereto in Section 2.02(a);

"Fixtures" means all tangible personal property which are owned by the Vendor and which have or will become part of the real property when it is attached to the Lands or the building located on the Lands with the intent that it remains permanently affixed to the real property and shall include, without limitation, heating, ventilating, air-conditioning, plumbing, electrical, sprinkler, drainage, elevating, incinerating, and heavy industrial equipment;

"Hazardous Substances" means any hazardous substance, and includes without limitation, asbestos, poly-chlorinated biphenyls; or any substance or material which does not occur naturally in soil or which falls within definition of "waste", "contaminant", "special waste", "hazardous chemicals", "hazardous waste", "dangerous goods", "toxic substances", any variation of such terms or any terms of similar import in the *Environmental Protection Act* (Ontario), the *Canadian Environmental Act* (Canada), the *Transportation of Dangerous Goods Act* (Canada), each as at the date hereof, or in any other federal, provincial, municipal or other governmental or regulatory laws and rules now or at any later time in effect relating to the environment, occupational safety, health or transportation.

"HST" means the Harmonized Sales Tax referred to in Section 10.06;

"Inspection Period" means the period commencing on the Acceptance Date and ending forty-five (45) days thereafter;

"**Interim Period**" means the period from the Requisition Date to the Closing Date.

"Land Registry Office" means the Land Registry Office for LRO #65 – York Region;

"Lands" means the lands and premises identified in Schedule 1;

"Leases" means all leases, offers to lease, subleases, concessions, licenses, tenancy agreements, occupancy agreements, or other agreements, whether written or oral, and whether now existing

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or hereafter entered into, for or relating to the lease, use, enjoyment, or occupancy of all or part of the Property (in each case, as amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time) in each case together with all related credits, rights, options, claims, causes of action, guarantees, indemnities, security deposits, and other security;

"**Leasing Costs**" means all: (i) real estate or leasing commissions; (ii) tenant inducements or tenant allowances (including amounts foregone due to rent-free periods, rent-abatement periods or rent rebates); (iii) costs and expenses of any lease takeovers, lease assignments or lease assumptions; and (iv) costs and expenses of any landlord's work or improvements to rentable space in the buildings to be performed by the landlord, in each case with respect to the current term of the Existing Leases (but not in connection with any unexercised renewals thereof).

"Municipality" means the Town of Aurora;

"Permitted Encumbrances" means the Encumbrances listed in the schedule annexed to this Agreement as Schedule 2;

"Permitted Leases" means the Leases which will be entered into/or executed by the Vendor after execution of this Agreement and prior to Closing and which will have been approved, in writing, by the Purchaser in its sole discretion;

"Planning Act" means the *Planning Act*, R.S.O. 1990, c. P.13, as amended from time to time;

"Property" means the Lands, together with all buildings, structures, and improvements now or hereafter located thereon;

"Purchase Price" means the purchase price stipulated in Section 2.01;

"Purchased Assets" means the rights, title and interest in the Property, the Fixtures, the Chattels, the Existing Leases, the Assumed Contracts and the Rights, but does not include any Tenant fixtures or other property belonging to Tenants or any item leased from third parties;

"Purchaser" has the meaning ascribed to it in the Preamble to this Agreement;

"Purchaser's Inspection Condition" means the Purchaser's right to terminate this Agreement at the end of the Inspection Period, all as more particularly set forth in ARTICLE IV;

"**Purchaser's Repair Obligations"** has the meaning ascribed to it in Section 4.01;

"Purchaser's Lawyers" means Keyser Mason Ball, LLP (Attention: David Di Gregorio) or such other lawyer or lawyers retained by the Purchaser with respect to this Transaction;

"Receiving Party" has the meaning ascribed thereto in Section 8.02;

"**Rent Roll**" means a list containing information for each of the Existing Leases including: (i) each tenant's name, address, date of the lease, and scheduled expiration date of the lease; (ii) information relating to any options to extend; (iv) the number of square feet of the leased

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premises; (v) the base rental amount and the additional rental amount (if any); and (vi) the amount of any security or other refundable deposit.

"Requisition Date" means the day on which the Purchaser waives the Purchaser's Inspection Condition;

"Rights" means all benefits, advantages, licences, intellectual property rights, trademarks, trade names, guarantees, warranties', indemnities, income, rents, options, and other intangible assets relating to the Property including, without limitation, all rights in and to the trade name;

"Second Deposit" means the Deposit described in Section 2.02(b);

"Tenant" means a person/entity entitled to occupy premises pursuant to a Lease;

"Tendering Party" has the meaning ascribed thereto in Section 8.02;

"Transaction" means the purchase and sale of the Purchased Assets provided for in this Agreement.

"Vendor" has the meaning ascribed thereto in the Preamble;

"Vendor's Lawyers" means Torkin Manes LLP (Attention: Aaron M. English) or such other law firm retained by the Vendor with respect to this Transaction;

"**Warning Clauses**" means the matters identified at Schedule 5 hereto; and

"Work Orders" means, collectively, work orders, deficiency notices, notices of any violation, outstanding building permits relating to the Property that do not relate to any work performed by or on behalf of the Tenant and that is not the responsibility of the Tenant under its Lease

Section 1.02 Schedules. The schedules to this Agreement are as follows:

Schedule 1 - Legal Description of the Lands

Schedule 2 - Permitted Encumbrances

Schedule 3 - Existing Leases

Schedule 4 - Contracts

Schedule 5 - Warning Clauses

ARTICLE II
PURCHASE

Section 2.01 Purchase Price. The Vendor agrees to sell and the Purchaser agrees to purchase the Purchased Assets, from the Vendor for a purchase price of [redacted] (the **"Purchase Price"**) in lawful money of Canada.

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Section 2.02 Deposits

(a) [redacted] (the "**First Deposit**") shall be paid by the Purchaser within three (3) Business Days following the Acceptance Date and shall be completely refundable to the Purchaser in the event the Purchaser is not satisfied in its sole discretion with the results of its Due Diligence.

(b) [redacted] (the "**Second Deposit**") shall be paid by the Purchaser within three (3) days of waiver of the Purchaser's Inspection Condition and shall be completely refundable to the Purchaser in the event the purchase contemplated herein does not close solely due to the default of the Vendor or does not close due to the remaining conditions (for the benefit of the Purchaser) in this Agreement not having been satisfied.

Section 2.03 Payment of Deposits

(a) The Deposits shall be paid by wire transfer to the Vendor's Lawyers in trust, to be held in trust by them on behalf of the parties, as their respective interests may appear, pending completion or termination of this Agreement and to be credited on account of the Purchase Price on Closing.

(b) If the Transaction is not completed for any reason except the default of the Purchaser, the Deposits together with all interest accrued shall, subject to the Purchaser's Repair Obligations, be returned to the Purchaser without deduction within two (2) Business Days, in addition to all other remedies available to the Purchaser at law or in equity if the Transaction is not completed as a result of default by the Vendor, and the terms of this Section 2.03(b) shall constitute a direction from the Vendor to the Vendor's Lawyers to return the Deposits as set out herein.

(c) If the Transaction is not completed solely due to the default of the Purchaser, the Deposits shall be non-refundable to the Purchaser and shall be forfeited and payable to the Vendor together with all accrued interest as liquidated damages and not as a penalty, without prejudice to any other rights, remedies and/or any other recourse that the Vendor may have in respect of such default of the Purchaser. The terms of this Section 2.03(c) shall constitute a direction from the Purchaser to the Vendor's Lawyers to disburse the Deposits as set out herein.

Section 2.04 Payment of Purchase Price. The Purchase Price shall be paid or satisfied on the completion of this Transaction as follows:

(a) the crediting of the Deposits to the Purchaser on the Statement of Adjustments at Closing; and

(b) the balance due on closing in the amount of [redacted] paid, subject to adjustments contained in this

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Agreement, to the Vendor's Lawyers, in trust, by wire transfer sent from the Purchaser's Lawyer's trust account.

Section 2.05 Allocation of Purchase Price. From and after the Acceptance Date through to the Closing Date, the Purchaser and Vendor hereby covenant and agree that they shall use commercially reasonable efforts to arrive at a mutually agreeable determination in respect of the allocation of the Purchase Price between the Lands and buildings situate thereon which together comprise the Property (the "**Purchase Price Allocation**"), though both the Purchaser and the Vendor acknowledge and agree that the Transaction shall not be conditional on such mutual determination being made. In the event that the Purchaser and Vendor settle the Purchase Price Allocation, the Purchaser and Vendor shall report the purchase and sale of the Property for all tax purposes in a manner consistent with the Purchase Price Allocation. In the event that any Authority disputes or otherwise challenges the validity of the Purchase Price Allocation, then the Purchaser and Vendor shall use their best efforts, in good faith, to agree on a different allocation of the Purchase Price acceptable to that Authority, and the Purchaser and Vendor shall forthwith amend the Purchase Price Allocation and each of their respective tax returns accordingly. In the event that the Purchaser and Vendor, acting reasonably, are unable to mutually agree upon a Purchase Price Allocation prior to Closing, then each of the Purchaser and Vendor shall be entitled to determine their respective allocation of the Purchase Price for all tax purposes between the Lands and Buildings which together comprise the Property.

ARTICLE III
ESTOPPEL CERTIFICATES AND CLOSING CONDITIONS

Section 3.01 Tenant Estoppels. The Vendor shall use reasonable commercial efforts to obtain and deliver Estoppel Certificates from each and every Tenant prior to the Closing Date, each of which Estoppel Certificates shall be dated not earlier than thirty (30) days prior to the Closing Date. In furtherance thereof, the Vendor shall: (i) request Estoppel Certificates from each and every Tenant; (ii) deliver to the Purchaser the final form of all Estoppel Certificates received from such Tenants; and (iii) have all such Estoppel Certificates addressed to the Purchaser, its lender, if any, and each of their successors and permitted assigns.

Section 3.02 Failure to obtain Estoppel Certificates. Notwithstanding the foregoing, if the Vendor is unable to obtain an Estoppel Certificate from one or more of the Tenants, the Purchaser shall accept from the Vendor a certificate of the Vendor in substantially the same form as the Estoppel Certificate in respect of such Tenant(s) from whom the Vendor was unable to obtain an estoppel certificate (a "**Landlord Certificate**"). The Purchaser acknowledges and agrees that: (i) the delivery of a Landlord Certificate in lieu of an Estoppel Certificate from a Tenant from whom the Vendor is unable to obtain an acceptable Estoppel Certificate shall and shall be deemed to constitute delivery of the applicable Estoppel Certificate; and (ii) the failure of the Vendor to obtain an Estoppel Certificate from any one or more of the Tenants shall not constitute a default by the Vendor under this Agreement. The Vendor shall be entitled until Closing and for a period of sixty (60) days after Closing, to continue to pursue Estoppel Certificates from any Tenants who did not deliver an executed Estoppel Certificate prior to Closing, in order to obtain same and if within such period the Vendor is able to obtain from any such Tenant and deliver to the Purchaser an Estoppel Certificate that is not inconsistent with the Landlord Certificate, the Vendor shall have no further liability under the Landlord Certificate

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with respect to such Tenant and the Purchaser shall have no further rights or recourse against the Vendor relating thereto. This Section 3.02 shall survive Closing.

Section 3.03 Closing Conditions.

(a) The obligation of the Purchaser to complete the Transaction shall be subject to the following conditions precedent which the Vendor shall, diligently and in good faith, at its own expense, use commercially reasonable efforts to satisfy on or before Closing:

(i) By Closing, all of the terms, covenants, and conditions of this Agreement to be complied with or performed by the Vendor shall have been complied with or performed in all material respects; and

(ii) By Closing, the representations and warranties of the Vendor set out in Section 6.02 shall be true and accurate in all material respects.

(iii) By Closing, the Covenants of the Vendor set out in Section 7.01 shall be true and accurate in all material respects.

(b) The obligation of the Vendor to complete the Transaction shall be subject to the following conditions precedent which the Purchaser shall, diligently and in good faith, at its own expense, use commercially reasonable efforts to satisfy on or before Closing:

(i) Closing, the representations and warranties of the Purchaser set out in Section 6.05 shall be true and accurate in all material respects; and

(ii) On the Closing Date, the Purchaser shall have paid the Purchase Price and all of the other terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser shall have been complied with or performed in all material respects.

ARTICLE IV
PURCHASER'S INSPECTION CONDITION

Section 4.01 Purchaser's Examination. The Vendor will permit the Purchaser, its agents and representatives to carry out, at the Purchaser's sole expense and risk, such due diligence, tests and investigations (including without limitation invasive structural and physical tests and investigations, soil tests and environmental audits including a Phase II environmental study and provided that such invasive tests shall require the Vendor's prior written consent, such consent not to be unreasonably withheld or delayed) and inspections as the Purchaser may deem necessary with respect to the Property, provided that: (i) such tests and inspections shall not unreasonably interfere with the use or occupancy of the Property by the Vendor and/or the Tenants; and (ii) the Purchaser shall provide at least two (2) Business Days' Notice to the Vendor of any such tests and inspections and the Vendor will be entitled to have a representative present during all such tests and inspections. The Purchaser hereby indemnifies the Vendor and

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saves it harmless from and against any and all claims, costs, expenses, liabilities, damages or losses arising out of any act or omission by the Purchaser or its agents, contractors and/or employees during and with respect to the utilization of such right of access and inspections and testing. Without limiting the foregoing, in the event of any damage to the Property arising from such access, inspection or testing by the Purchaser, its agents, contractors and/or employees, the Purchaser agrees to repair forthwith any damage to the Property and to restore the damaged aspect of the Property to the condition which they were in immediately prior to such damage as near as is practical and shall indemnify the Vendor from all claims, costs, expenses, liabilities, damages or losses in respect of such damage, the Purchaser's repairing and restoration thereof, and/or any claims incurred by the Vendor arising as result (collectively, "**Purchaser's Repair Obligations**"). In this regard, notwithstanding anything else in this Agreement, in the event that this Transaction is not completed for any reason, the Vendor shall have the right to utilize the Deposit as security for the Purchaser's Repair Obligations and to pay for claims and to make such repairs and restoration to the extent that the Purchaser fails to do so forthwith as required in this paragraph. The provisions in this paragraph shall survive and not merge on Closing. In the event that the Purchaser does not waive the Purchaser's Inspection Condition, the Purchaser shall provide the Vendor with copies of all and any reports received by it (including any draft reports, if final reports are not obtained) in respect of the Property together with reliance letters in favour of the Vendor in respect thereof.

Section 4.02 Due Diligence Materials. The Vendor agrees that, within five (5) days following the Acceptance Date, it will provide to the Purchaser the following documents relating to the Property to the extent in the Vendor's possession or control:

(a) original or photostatic copies of all consultants' reports (including, without limitation, environmental reports, appraisals, feasibility studies, surveys, title insurance policies and soil studies) and engineering reports together with reliance letters in favour of the Purchaser in respect of such reports that are dated not earlier than six (6) months prior the Closing Date;

(b) income and expense statements, agreements, true copies of all previous title opinions, realty tax receipts and assessment information, insurance policies, plans, surveys, drawings (including architect drawings, plans and sketches), and any other information pertaining to the Property currently within its possession or control;

(c) true copies of each of the Existing Leases;

(d) true copies of each of the Contracts;

(e) true copies of all guarantees, warranties, and indemnities relating to the Purchased Assets, if any;

(f) a true copy of an up-to-date Rent Roll;

(g) a statement of actual Property gross revenue and operating costs for the current calendar year and for the year immediately preceding the current calendar year;

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(h) a current accounts receivable report in respect of the Existing Leases, list of outstanding tenant deposits, tenant inducements, landlord's work and leasing commissions, and unexpired free rent periods;

(i) a list of all Fixtures and Chattels included in the Purchase Price;

(j) copies of realty tax bills and assessment notices for the current year and the two previous years;

(k) copies of all outstanding notices of default sent or received by the Vendor in its capacity as landlord under the Leases;

(l) copies of all outstanding Work Orders, violation and deficiency notices, and open building permits;

(m) any depreciation schedules in respect of the buildings at the Property and the Fixtures and the Chattels, if any, which are depreciated and "charged-back" to Tenants pursuant to the Leases;

(n) a certificate of a senior officer of the Vendor confirming that the Vendor has delivered and/or made available to the Purchaser all of the deliveries described in (a) through (p) above within its possession or control and that the Vendor has not knowingly withheld or failed to deliver the same; and

(o) and such other information and/or documentation the Purchaser may reasonably request from time to time.

Section 4.03 Purchaser's Inspection Condition. The Purchaser's obligation to complete this Transaction shall be conditional upon the Purchaser, in its sole, subjective, unfettered and unreviewable discretion being satisfied, within the Inspection Period, with the results of its tests, inspections, and assessment of the Property (including the Purchaser's subjective assessment of the economic viability of the Purchaser's proposed use of the Property).

Section 4.04 Termination. If the Purchaser or the Purchaser's Lawyers notifies the Vendor or the Vendor's Lawyers in writing during the Inspection Period that the Purchaser elects to terminate this Transaction, then this Agreement shall be at an end effective as of the delivery of such notice, the Deposits shall be immediately returned to the Purchaser without deduction (subject to the Purchaser's Repair Obligations), and neither party shall have any further rights or obligations hereunder. If, however, the Purchaser, or its lawyers, has not notified the Vendor, or its lawyers, in writing during the Inspection Period of its intention to terminate pursuant to this Purchaser's Inspection Condition, then this Agreement will continue to subsist along with the Transaction contemplated herein, subject to the other conditions contained herein.

Section 4.05 Authorization. The Vendor shall deliver to the Purchaser, within three (3) calendar days after receipt from the Purchaser of request therefor, any authorizations to governmental authorities prepared by the Purchaser's Lawyers that are necessary to permit the Purchaser to obtain information from the files of such Authority provided such authorizations do

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not authorize any inspections with respect to the Property. The Purchaser covenants and agrees with the Vendor that it will not request any such inspection by any Authority.

Section 4.06 Announcements re: Sale. The Vendor and Purchaser covenant and agree that the Purchaser shall have the right, after Closing, to announce the sale of the Property as the Purchaser deems advisable, provided that such announcement(s) shall be subject to the Vendor's prior review and written approval as to the form and substance of such announcement(s), acting reasonably.

ARTICLE V
TITLE CONDITION

Section 5.01 Title Requisitions. The Purchaser is allowed until 5:00 PM (Toronto time) on the Requisition Date to investigate the title to the Property, to satisfy itself that the title to the Property is free and clear of all Encumbrances except for the Permitted Encumbrances. If within that time any valid objection to title is made in writing to the Vendor, which the Vendor shall be unable to remove or satisfy and which the Purchaser will not waive, then, at the option of the Purchaser exercisable by written notice within ten (10) days of receipt of the Vendor's notice that it is unable to remove or satisfy the Purchaser's objection, this Agreement shall, notwithstanding any intermediate acts or negotiations in respect of such objection or requisition, be null and void and of no further force or effect whatsoever and the parties shall be released from all of their liabilities and obligations under this Agreement (save and except for any obligations specifically stated to survive termination) and the Deposit together with all interest accrued thereon shall be forthwith returned without deduction to the Purchaser (subject to the Purchaser's Repair Obligations). Except for any valid objection to title made on or before the Requisition Date and except for any instruments that are not Permitted Encumbrances which are registered against the title to the Property during the Interim Period (each, an "**Intervening Registration**") or any Work Orders that are not Permitted Encumbrances arising during the Interim Period (each, an "**Intervening Work Order**"), the Purchaser shall be deemed to have accepted the title to the Property. In the event that an Intervening Registration and/or Intervening Work Order arises following the Purchaser's waiver of the Purchaser's Inspection Condition, the Vendor shall have the right at its sole option and election to either: (i) take all required action to have same satisfied and rectified prior to Closing; or (ii) undertake to take such action required within a reasonable period of time following Closing and to indemnify the Purchaser with respect to same, in each instance at the sole cost and expense of the Vendor and with the Vendor providing the Purchaser with proof of satisfaction, closure and/or rectification of any such Intervening Registration and/or Intervening Work Order, as the case may be; or (iii) obtain and provide to the Purchaser a quote from an independent third party contractor acceptable to the Purchaser, acting reasonably, for the remedial work necessary to satisfy, comply and obtain the vacation, release, removal, etc. of such Intervening Registration and/or Intervening Work Order and grant the Purchaser a credit on the statement of Adjustments with respect thereto, in which event the Vendor shall have no further responsibility for or obligation in respect of such Intervening Registration and/or Intervening Work Order.

Section 5.02 The Planning Act. This Agreement and the Transaction reflected herein are subject to compliance with Section 50 of the Planning Act and the Vendor shall be solely responsible for ensuring compliance with same at its sole cost and expense.

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ARTICLE VI
VENDOR'S WARRANTIES AND REPRESENTATIONS AND PURCHASER'S ACKNOWLEDGEMENTS, REPRESENTATIONS AND WARRANTIES

Section 6.01 No Implied Warranty or Condition. The Purchaser confirms that it has entered into this Agreement on the basis that no warranty or condition can be implied as to title, Encumbrances, description, zoning, official plan designation, fitness for purpose, quality and availability of services to the Property, sewer allocation, the existence or non-existence of any Hazardous Substance or in respect of any other manner or thing, and that the only warranties and conditions that are applicable to this Transaction are those that are expressly contained or referred to in this Agreement.

Section 6.02 Vendor's Representations and Warranties. The Vendor represents and warrants to the Purchaser (which representations and warranties shall survive for a period of six (6) months following Closing) that:

(a) the Vendor is not a non-resident of Canada within the meaning and intended purpose of section 116 of the *Income Tax Act* (Canada);

(b) to the best of the Vendor's knowledge and save and except as disclosed by the Due Diligence Materials, there are no adverse soil conditions with respect to the Property and the Vendor is not aware that (i) any underground storage tanks are now located on the Property, and (ii) the Property has ever been used as a landfill site or to store, either above or below ground, gasoline, oil, or any other Hazardous Substance;

(c) this Agreement, the execution and delivery thereof by the Vendor, and the performance by the Vendor of all of its obligations hereunder, have been duly authorized by all necessary corporate action on the part of the Vendor;

(d) each of the Existing Leases delivered to the Purchaser in accordance with Section 4.02 is complete and accurate and are all the Existing Leases;

(e) the Rent Roll delivered to the Purchaser under Section 4.02 and 9.03 is complete, current to the date it was delivered and accurate;

(f) there are no Leases other than the Existing Leases and all of the Existing Leases are listed in the Rent Roll;

(g) there are no Leases that are or will be binding on the Property or the Purchaser as of completion, except for the Existing Leases;

(h) in respect of each of the Existing Leases and in each case save and except as may be disclosed by the Estoppel Certificates, the Rent Roll and/or the Due Diligence Materials:

(i) the Tenant has no right of first offer, right of first refusal, or any other purchase option;

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(ii) there are no tenant security deposits, prepaid rents, outstanding tenant inducements, outstanding tenant allowances, unexpired free-rent periods, or unpaid or outstanding landlord's work, except as disclosed by the Vendor to the Purchaser under Section 4.02 and adjusted for on Closing in accordance with ARTICLE IX;

(iii) there are no outstanding defaults by the Vendor, as landlord, or the Tenants;

(iv) the Leases are in good standing and the Vendor has not received notice of, or is otherwise aware of, any impending, threatened or alleged defaults, claims, or rights to terminate or surrender a Lease by any Tenant;

(v) there are no unresolved disputes between the Vendor and any of the Tenants thereunder;

(vi) the Vendor has not received notice from any Tenant indicating an intention (and the Vendor is not otherwise aware of any Tenant's intention) to assign, sublet, surrender the term of, or otherwise part with possession of the whole or any part of the premises demised under a Tenant's Lease;

(i) each of the Contracts, including any property management agreements and listing or commission agreements delivered or to be delivered to the Purchaser in accordance with Section 4.02 is complete and accurate and in good standing;

(j) the list of Contracts completed in accordance with Section 4.02 and further attached as Schedule 4 is complete, up to date, and accurate and originals or copies of all Contracts listed thereon have or will be delivered to the Purchaser under Section 4.02;

(k) the list of Fixtures and Chattels delivered pursuant to Section 4.02 is true and complete;

(l) there are no actions, suits, or proceedings pending or threatened against or otherwise affecting the Property which could adversely affect: (i) the validity of this Agreement or the Transaction; or (ii) the conveyance of the Property to the Purchaser;

(m) there are no options to purchase all or part of the Property and no one, other than the Purchaser, has the right to acquire an interest in the Property, other than any Tenants' rights under their Leases as disclosed by the Existing Leases;

(n) to the best of the Vendor’s knowledge, there are no Work Orders and no facts or circumstances in existence that, with the passage of time or the giving of notice or both, would give rise to Work Orders;

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(o) save and except with respect to any work performed by or on behalf of any Tenant under its lease, all amounts for labour and materials relating to any construction or the provision of any services or utilities or other infrastructure improvements on or benefiting the Property has been fully paid and no one has a right to file a construction lien against the Property;

(p) the Vendor has not knowingly withheld any material information relating to the Property or the Purchased Assets from the Purchaser;

(q) no person is entitled to any claim under the *Family Law Act* with respect to the Property;

(r) the Vendor is the registered owner in fee simple of the Property and will continue to be so as of the date of the Closing;

Section 6.03 Bring Down of Representations and Warranties. The Vendor agrees that it shall deliver on Closing a "bring-down" certificate confirming the continuing truth and completeness of such representations and warranties.

Section 6.04 Acknowledgement of Purchaser as to Condition of the Purchased Assets. Subject to the representations and warranties of the Vendor set out at Section 6.02 hereof, the Purchaser acknowledges and agrees that, subject to the representations and warranties of the Vendor contained at Section 6.02 hereof:

(a) on Closing, title to the Property shall be subject to the Permitted Encumbrances. The Purchaser shall not be entitled to make any requisitions in respect of the Permitted Encumbrances;

(b) in entering into this Agreement, the Purchaser has relied and will continue to rely entirely and solely upon its own inspections and investigations with respect to the Purchased Assets, including without limitation, the physical and environmental condition of the Purchased Assets and a review of the Due Diligence Materials, and the Purchaser acknowledges it is not relying on any information furnished by the Vendor or any other person or entities on behalf of or at the direction of the Vendor in connection therewith; and

(c) the Purchaser acknowledges and agrees that the Vendor has not made, does not make, and shall not be required to make or provide any warranty, representation or covenant of any kind whatsoever whether statutory, express or implied, oral or written, past, present or future and has and shall have no obligations, explicit or implied, to inform or advise the Purchaser, with respect to any matters relating to the Purchased Assets, including, without limitation, the fitness or suitability of the Purchased Assets for the uses intended by the Purchaser, title and access matters, encroachments, the current zoning of the Property, the validity or enforceability of any easements or agreements affecting the Property, compliance with Environmental Laws or potential or existing environmental substances, hazards or conditions or liabilities in relation to the Purchased Assets, latent or otherwise (whether known or not), or with respect to the quality or condition of the

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Purchased Assets or to the accuracy or content of any documents provided to the Purchaser, and the Vendor, except as specifically set out in this Agreement, shall have no liability or obligation with respect to the value, state or condition of the Purchased Assets, any deficiencies therein or repairs, replacements or other work required with respect thereto (environmental, structural, or otherwise). The Purchaser further acknowledges that it shall rely upon its own environmental counsel or environmental consultant to evaluate the environmental condition of the Property and shall make its own determination as to whether the Property is in compliance with applicable environmental laws. If the Purchaser waives the Purchaser's Inspection Condition, the Purchaser shall be deemed to, and does hereby, acknowledge to the Vendor that:

(i) the Purchaser has fully examined and inspected the Purchased Assets and conducted its own independent investigation of the Purchased Assets and searches, inspections, investigations and testing for environmental substances and hazards integrity and in respect of all other matters pertaining to the Purchased Assets;

(ii) the Purchaser has accepted and is fully satisfied in all respects with the foregoing and with the physical and environmental condition, value, financing status and expenses of the Purchased Assets;

(iii) the Purchased Assets will be purchased and assumed by the Purchaser "As Is - Where Is" (the term "As Is - Where Is" means in its condition or state on the date hereof and on Closing) and on Closing the Purchaser shall assume responsibility for the physical condition of the Purchased Assets without regard to the state of repair of the Purchased Assets, locations of structures, walls, fences (freestanding or otherwise) and subject to all judicial, municipal or any other governmental by-laws, agreements, restrictions or orders affecting its condition or use (including, but not limited to, Work Orders) and the Vendor shall have no obligations or responsibility to the Purchaser after Closing with respect to the Purchased Assets or the condition thereof, including, without limitation, any environmental condition of the Purchased Assets or any environmental liability to the Purchaser relating thereto except as otherwise set out in this Agreement and in the Closing Documents; and

(iv) the Purchaser has decided to purchase the Purchased Assets solely on the basis of its own independent judgment, searches, inspections, investigations and testing and has relied upon its own judgment or expert's advice concerning the purchase of the Purchased Assets.

Section 6.05 Purchaser's Representations and Warranties. The Purchaser represents and warrants to the Vendor (which representations and warranties shall survive for a period of six (6) months following Closing) that:

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(a) the Purchaser is a corporation subsisting under the laws of Ontario and has the necessary corporate power, authority and capacity to enter into this Agreement and to carry out the Transaction on the terms and subject to the conditions set out in this Agreement;

(b) the execution and delivery of this Agreement and the completion of the Transaction have been duly authorized by all requisite corporate proceedings on the part of the Purchaser; and

(c) on Closing, the Purchaser will be a registrant for the purposes of Part IX of the *Excise Tax Act* (Canada) and, by virtue of paragraph 221(2)(b) of such Act, the Vendor shall not be obligated to collect HST from the Purchaser or to pay HST.

ARTICLE VII
COVENANTS

Section 7.01 Vendor's Covenants. The Vendor covenants and agrees with the Purchaser that the Vendor:

(a) shall deliver vacant possession of the Property subject only the rights of the Tenants under the Existing Leases;

(b) shall operate and manage the Purchased Assets in a manner consistent in all material respects with past practice and shall perform all its obligations under the Leases, Assumed Contracts and other agreements of the Vendor relating to the Property and the Purchased Assets in all material respects;

(c) on or prior to Closing, the Vendor, at its expense, shall terminate, effective on or before the Closing Date, all Contracts, except those which the Purchaser has notified the Vendor in writing, on or before the expiry of the Inspection Period that the Purchaser will assume as of the Closing Date (the "**Assumed Contracts**");

(d) from and after the date this Agreement is accepted by all parties until Closing or termination in accordance with the terms of this Agreement, the Vendor shall continue to carry property and liability insurance for the Purchased Assets and maintain, repair, operate, and manage the Purchased Assets to the standard as would a prudent owner and landlord of similar property in the area; and

(e) from and after the Purchaser's waiver of the Purchaser's Inspection Condition, the Vendor shall not:

(i) amend, terminate, accept a surrender of, extend, or renew any of the Existing Leases, Contracts, or other agreement affecting the Property;

(ii) enter into any new Leases (other than Permitted Leases and extensions or renewals required by the Existing Leases);

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(iii) affirmatively (whether by action or inaction) subject the Purchased Assets to any additional liens, encumbrances, covenants, or easement;

(iv) enter into or register on title to the Property any new Contracts that are not terminable prior to Closing; or

(v) mortgage or otherwise encumber the Property and shall discharge, on or before Closing, all Encumbrances (other than the Permitted Encumbrances).

Section 7.02 Damage Before Closing. The Purchased Assets shall be and remain at the risk of the Vendor until Closing. If any loss or damage to the Property occurs during the Interim Period and the cost to repair such loss or damage is in excess of Six Hundred and Fifty Thousand Dollars ($650,000.00) as certified by the Vendor's architect, the Purchaser, within three (3) Business Days after disclosure to the Purchaser by the Vendor of the loss or damage, and certification as to the extent thereof, the Purchaser at its option shall either (i) terminate this Agreement by notice in writing to the Vendor's Lawyers, in which case this Agreement shall be terminated, null and void and of no further force or effect whatsoever and no party to this Agreement shall have a claim against any other party hereto with respect to this Agreement other than the Purchaser shall be entitled to a return of the Deposit with accrued interest thereon subject to any claim by the Vendor for any Purchaser's Repair Obligations, or (ii) elect to complete the Transaction without any abatement of the Purchase Price and all proceeds of insurance shall be paid to the Purchaser by the Vendor and the Purchaser shall accept such damage and otherwise complete this Agreement in accordance with its terms and complete the purchase of the Property without abatement on the Closing Date. If the loss or damage is certified by the Vendor's architect to be less than Six Hundred and Fifty Thousand Dollars ($650,000.00) then the Purchaser shall have no right to terminate this Agreement, all proceeds of insurance shall be paid to the Purchaser by the Vendor and the Purchaser shall accept such damage and otherwise complete this Agreement in accordance with its terms and complete the purchase of the Property without abatement on the Closing Date.

ARTICLE VIII
CLOSING

Section 8.01 Time and Place of Closing. This Transaction of purchase and sale shall, subject to Section 8.02 hereof, be completed on Closing at the offices of the Vendor's Lawyers, or at such other time and place as may be agreed upon in writing by the parties or their respective lawyers.

Section 8.02 Electronic Registration. Any tender of money pursuant to this Agreement may be made upon the lawyer acting for the party on whom tender is desired on the Closing Date. It is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by either party (the **"Tendering Party"**) upon the other party (the **"Receiving Party"**) when the solicitor for the Tendering Party has completed, in addition to all other requirements to effect a valid tender in accordance with the provisions of this Agreement, all of the requirements of the DRA in order to complete this Transaction that can be performed or undertaken by the Tendering Party's solicitor without the cooperation or participation of the

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Receiving Party's solicitor, and specifically when the Tendering Party's solicitor has electronically "signed" the transfer and all other instruments to be registered against title to the Property at the time of the Closing for completeness and granted "access" to the Receiving Party's solicitor. The Vendor and Purchaser acknowledge and agree that:

(a) the parties shall instruct their respective solicitors to enter into the DRA establishing the procedures for completion of this Transaction by means of electronic registration;

(b) the delivery and exchange of documents, monies and possession of the Property and the release thereof to the Vendor and the Purchaser, as the case may be, shall not occur contemporaneously with the registration of the transfer and other registrable documentation, and shall be governed by the DRA pursuant to which the Vendor's Lawyers and the Purchaser's Lawyers will hold in escrow all documents, monies received by them and will not release same to their respective clients except in strict accordance with the DRA; and

(c) each of the parties hereto agrees that this Agreement and all closing documents contemplated herein may be executed electronically (e.g. DocuSign) and delivered to the other party hereto in properly executed form by email PDF transmission or other similar system reproducing the original.

Section 8.03 Acceleration of Closing Date. The Purchaser shall have the right (but not the obligation) by written notice to the Vendor delivered after expiry of the Inspection Period to accelerate the Closing Date; provided that the Vendor shall receive not less than ten (10) days prior written notice of the accelerated Closing Date.

ARTICLE IX
CLOSING DOCUMENTS

Section 9.01 Form. All documents to be delivered by the Vendor to the Purchaser and by the Purchaser to the Vendor on Closing shall be in form and substance satisfactory to the lawyers for the party to whom such document is being delivered, each acting reasonably.

Section 9.02 Cost of Title Examination. The cost of examining title and registering the conveyance of title to the Property shall be at the Purchaser's expense. Each party shall pay the fees of its own lawyers.

Section 9.03 Vendor's Closing Documents. The Vendor agrees to deliver to the Purchaser on or before Closing:

(a) a registrable conveyance of the Property containing all of the statements contemplated by Section 50(22) of the Planning Act;

(b) a statutory declaration of a senior officer of the Vendor having personal knowledge of the facts declared wherein he declares that, at Closing: (i) the Vendor is not a non-resident of Canada within the meaning and intended purpose

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of Section 116 of the *Income Tax Act* (Canada), failing which the Purchaser will be credited against the Purchase Price with the amount necessary to pay to the Minister of National Revenue to satisfy the Purchaser's liability under the *Income Tax Act* (Canada) for tax payable; (ii) the Vendor's representations and warranties, contained in this Agreement are true and complete and all of the covenants and agreements contained in this Agreement have been complied with and performed by the Vendor in all material respects; and (iii) if required by the Purchaser's and/or its lender's title insurance provider(s), such other matters relating to title that are typically addressed in statutory declarations of possession historically given in real estate transactions in the Province of Ontario;

(c) a bill of sale conveying good and marketable title to Chattels, free and clear of all liens, security interests, encumbrances, and other interests;

(d) the Assignment and Assumption of Leases, executed by the Vendor;

(e) the Assignment and Assumption of Contracts, executed by the Vendor;

(f) the Assignment and Assumption of Permitted Encumbrances, executed by the Vendor;

(g) notice to each of the parties of the Assumed Contracts, notifying them of the transfer of ownership of the Property if required by the terms of the Assumed Contract;

(h) notice to tenants, signed by the Vendor and notifying all Tenants under the Existing Leases of the transfer of ownership of the Property and directing that all future rental payments be paid to the Purchaser or to whom in writing, it directs;

(i) the Estoppel Certificates or Landlord Certificates in lieu thereof;

(j) a statement of adjustments prepared in accordance with ARTICLE X, together with detailed calculations explaining the adjustments thereon, with a draft submitted to the Purchaser at least five (5) Business Days prior to the Closing Date;

(k) an undertaking to readjust pursuant to Section 10.03;

(l) certified Rent Roll updated as to the date on which the Purchaser is required to lock in an interest rate with respect to any financing it is arranging to complete the Transaction;

(m) keys, passcodes, and master keys for the Property;

(n) a bring-down certificate confirming that all of the representations and warranties given by the Vendor herein remain true and complete as of the Closing Date;

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(o) wire transfer particulars for the Vendor's Lawyers' trust account and a direction re: funds permitting payment of the balance due on closing thereto;

(p) a non-merger agreement confirming that the representations, warranties, and agreements in this Agreement shall not merge on Closing and shall, instead, survive Closing, except as otherwise provided in this Agreement;

(q) the DRA; and

(r) such other documents as may reasonably be required by the Purchaser and are customarily utilized for sale transactions involving properties similar to the Property.

Section 9.04 Purchaser's Closing Documents. The Purchaser agrees to deliver the following to the Vendor on or before Closing:

(a) the statutory declaration and indemnity agreement regarding HST, as identified in Section 10.06;

(b) the Assignment and Assumption of Leases, executed by the Purchaser;

(c) the Assignment and Assumption of Contracts, executed by the Purchaser;

(d) the Assignment and Assumption of Permitted Encumbrances executed by the Purchaser;

(e) the balance of the Purchase Price payable to the Vendor as referred to in Section 2.04(b);

(f) an undertaking to readjust pursuant to Section 10.03;

(g) a direction re: title if the Property is to be conveyed to any person or corporation other than the Purchaser;

(h) the DRA; and

(i) such other documents as may be required by the Vendor and are customarily utilized for sale transactions involving commercial income-producing properties in the jurisdiction where the Property is located.

ARTICLE X
ADJUSTMENTS

Section 10.01 Closing Adjustments. The balance due on closing shall be adjusted as of 12:01 a.m. on the Closing Date for realty taxes and any local improvement rates as provided for in Schedule 2, rents, operating costs, items to be adjusted for pursuant to other sections of this Agreement, and all other items which are adjusted for according to the usual practice for transactions for similar income-producing property in the vicinity, all in accordance with the

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usual practice as of Closing. Notwithstanding the foregoing, or anything contained to the contrary herein, there shall be no adjustment in favour of the Vendor for development costs/charges, insurance and/or rental arrears The Vendor shall be responsible for all expenses and entitled to receive all revenue accrued from the Property for the period ending on the day before the Closing Date and commencing as of the Closing Date, the Purchaser shall be responsible for all expenses except as otherwise expressly provided in this Agreement) and shall be entitled to all revenue accruing from the Property. For greater certainty, adjustments (without limitation) shall be made on account of:

(a) all unpaid and/or outstanding Leasing Costs provided for in the Existing Leases past due or coming due after Closing for which the Vendor is responsible, for which the Purchaser shall be credited at Closing (provided that any Leasing Costs payable in respect of renewal or extension periods which are included in the Existing Leases shall be the sole responsibility of the Purchaser);

(b) minimum rent, additional rent, and percentage rent (if any) received by the Vendor for the month in which the Closing Date occurs;

(c) prepaid rent, tenant security deposits and any interest thereon provided for in the Existing Leases, credited in full to the Purchaser, unless the Vendor is holding a cheque for such prepaid rent or security deposit in which case the cheque, duly endorsed to the Purchaser, shall be delivered by the Vendor to the Purchaser on the Closing Date, but for certainty, the Vendor is not entitled to apply prepaid rents and security deposits to reduce rental arrears or any other amounts owing by Tenants to the Vendor except in accordance with the Existing Leases;

(d) all water, hydro, telephone, gas and other utility charges which are not the responsibility of Tenants, based on the last ascertainable bill unless the utility is metered, in which case the Vendor shall arrange for the relevant utility provider to read its meter on the Closing Date and to, after Closing, render an account for the period up to the Closing Date to the Vendor which the Vendor undertakes to pay promptly when due, and accounts for the period from and after the Closing Date to the Purchaser; and

(e) amounts prepaid under the Assumed Contracts or Permitted Encumbrances that apply to the period on or after the Closing Date, credited to the Vendor.

Section 10.02 Rental Arrears. Any rental arrears and accounts receivable and any other claims against the tenants payable or accrued prior to Closing and unpaid on the Closing Date (the "**Tenant Receivables**") shall remain the property of the Vendor and there shall be no adjustment in favour of the Vendor or the Purchaser on the statement of adjustments for such amounts. After Closing, the Vendor shall have the right to recover from the tenants the Tenant Receivables. The Purchaser shall provide reasonable assistance to, and cooperation with, the Vendor in its efforts to collect the Tenant Receivables. Any amount of rent received or collected by the Purchaser after Closing from a Tenant, if it owed Tenant Receivables to the Vendor, shall be credited, first, to current month's rent, second, to any arrears of rent owing to the Purchaser and accruing from and after the Closing Date, and third, to any Tenant Receivables owed to the Vendor.

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Notwithstanding the foregoing, the Purchaser agrees that in the event Closing occurs prior to the tenth day of the month, the Vendor shall be entitled to a credit for its share of the rent payable by a Tenant but uncollected for the month of Closing, provided the Tenant is not in arrears of rent for the previous month. No such credit will be available to the Vendor for such uncollected rent if Closing occurs on or after the tenth day of the month or if a Tenant is in arrears of rent for the previous month. Following Closing, upon the request of the Vendor, the Purchaser shall provide receivables reports to the Vendor to enable the Vendor to determine the status of the Tenant Receivables, until the earlier of: (i) the Tenant Receivables being paid in full; and (ii) one (1) year following the Closing Date. The foregoing provision shall survive Closing. To the extent the Purchaser, after Closing, receives any amount from a Tenant on account of Tenant Receivables at a time when no amounts are then owing by that Tenant to the Purchaser, said sum shall be received in trust by the Purchaser for the benefit of the Vendor and, the Purchaser shall pay such amount to the Vendor within five (5) days of receipt of such amount.

Section 10.03 Post-Closing Adjustments. Amounts which cannot be finally determined before or on Closing, shall be adjusted on Closing based on estimated amounts and then readjusted after Closing in accordance with this ARTICLE X once final amounts are known, unless this Agreement expressly provides otherwise. The parties agree that all items shall be adjusted or readjusted, in accordance with this Agreement, by no later than one (1) year after the Closing Date. The Purchaser undertakes to pay when due after Closing any amounts credited to the Purchaser on the statement of adjustments for Leasing Costs or similar amounts due and payable to third parties after Closing. On Closing, the Vendor and Purchaser shall each deliver to the other its undertaking to readjust after Closing in accordance with this ARTICLE X. This Section 10.03 shall survive the Closing.

Section 10.04 Letters of Credit and Right of Re-Entry.

(a) Any deposits paid or letters of credit posted by the Vendor as security with a utility provider to provide utilities to the Property, or with the Municipality under an agreement relating to the development of the Property which is the responsibility of a vendor, developer and/or subdivider generally including, but not limited to, paving, final grading, sodding, hydro installation from the lot line to the meter, installation of water storm or sanitary connections from the lot line to the dwelling, damaging of any subdivision or municipal works, shall remain held by the Municipality and/or such utility provider in accordance with the terms of such applicable agreement(s).

(b) The Vendor and/or the Municipality shall have the right, at any time or times after the Closing, and notwithstanding that the Lands have been transferred to the Purchaser, to enter upon the Lands for the purpose of correcting any drainage problems or for the purpose of regrading or rectifying the grading and installing such piping, catch basins and grates, as may be reasonably necessary or in order to comply or effect compliance in any other manner with the applicable subdivision, site plan and/or development agreement. The costs of such rectification or correction shall be paid by the Vendor if the Vendor is responsible for the correction or rectification being required. The Vendor and/or the Municipality in exercising such right of re-entry shall not unreasonably interfere

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with the Purchaser or its building operations on the Lands. The Purchaser covenants and agrees to obtain a similar covenant from any person purchasing any of the Lands from the Purchaser in favour of the Vendor herein.

Section 10.05 Realty Tax Appeals. Intentionally deleted.

Section 10.06 Payment of HST. If the Purchaser, (and if applicable the beneficial purchaser(s) of the Property) or any person or entity approved in writing by the Vendor to assume the obligations of the Purchaser under the Agreement, delivers to the Vendor on the Closing:

(a) a statutory declaration that it is registered for the purposes of Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15 (Canada) in accordance with the requirements of Subdivision (d) of Division V and including the registration number assigned to it;

(b) a covenant pursuant to which the Purchaser (and if applicable the beneficial purchaser(s) of the Property) agrees to self-assess, be liable for and remit to the appropriate governmental authority all HST payable in connection with its purchase of the Property; and

(c) an indemnity pursuant to which the Purchaser (and if applicable the beneficial purchaser(s) of the Property) or such Assignee, agrees to indemnify the Vendor for any amounts for which the Vendor may become liable as a result of any failure by the Purchaser or such Assignee, and if applicable the beneficial purchaser(s) of the Property, to file and remit the HST payable in respect of the sale of the Property under Part IX of the *Excise Tax Act* (Canada) or otherwise,

then the Purchaser or such Assignee, and if applicable the beneficial purchaser(s) of the Property shall not be required to pay to the Vendor, nor shall the Vendor be required to collect from the Purchaser, or such Assignee, HST with respect to the purchase of the Property. If the Purchaser, or such Assignee, and if applicable the beneficial purchaser(s) of the Property, shall fail to deliver such statutory declaration, covenant and indemnity, then the Purchaser, or such Assignee, shall pay to the Vendor, in addition to the Purchase Price, in pursuance of its obligation to pay and the Vendor's obligation to collect the HST under the provisions of the *Excise Tax Act* (Canada), an amount equal to the HST payable on the Purchase Price.

ARTICLE XI
ASSIGNMENT

Section 11.01 Vendor's Assignment. The Vendor may not assign its rights or obligations under this Agreement and shall not transfer (and shall not permit or suffer the transfer of) the Deposits, the Property to any persons other than the Purchaser prior to the Closing Date (or sooner termination of this Agreement by the Purchaser in accordance with its terms), but the Vendor may direct to whom the balance due on closing shall be paid.

Section 11.02 Purchaser's Assignment. The Purchaser may assign the whole but not less than the whole of its rights and obligations under this Agreement and the Deposits to an affiliate of

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the Purchaser within the meaning of the *Income Tax Act*, R.S.O. 1990, c. l.2 any time following the payment of the Second Deposit on the condition that, if the Purchaser elects to assign this Agreement and Deposits or direct title to a designee on Closing, the Purchaser shall deliver to the Vendor at least five (5) days prior to Closing:

(a) a notice setting out the name and address and other particulars of the assignee (the "**Assignee**") in sufficient detail for the Vendor to identify the legal status of the Assignee and its affiliation with the Purchaser within the meaning of the *Income Tax Act*, R.S.O. 1990, c. l.2 and for the completion of the documentation to be delivered by the Vendor on the Closing Date; and

(b) a binding assumption agreement satisfactory in form and substance to the Vendor, acting reasonably, duly executed by the Assignee and the Purchaser wherein the Assignee assumes the performance and observance of the Purchaser's obligations under this Agreement, provided however that notwithstanding such assignment, the Purchaser and such Assignee shall remain jointly and severally liable for all obligations of the Purchaser until Closing and the Purchaser shall not be released of any of its obligations under this Agreement until the successful completion of the Transaction.

ARTICLE XII
GENERAL

Section 12.01 Time of the Essence. Time shall in all respects be of the essence of this Agreement.

Section 12.02 Captions, Table of Contents and Schedules. All schedules annexed or to be annexed to this Agreement shall have the same force and effect as if the information contained therein was included in the body of this Agreement.

Section 12.03 Headings. Any heading, subheading, or marginal note contained in this Agreement and the table of contents, if any, preceding this Agreement are inserted for convenience and for reference only and in no way define, limit or describe the scope or intent of this Agreement or form part of this Agreement.

Section 12.04 Governing Law. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the laws of the Province of Ontario, and the federal laws of Canada applicable in that province without giving effect to any choice or conflict of law provision or rule (whether of the Province of Ontario or any other jurisdiction).

Section 12.05 Commissions. The Vendor and the Purchaser each represent and warrant to the other that neither has engaged any real estate agent or broker in connection with this purchase and sale transaction and accordingly no commissions are payable to any real estate brokers or agents, and each of the Vendor and the Purchaser shall indemnify and save one another harmless from and with respect to same. The provisions of this Section 12.05 shall survive Closing.

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Section 12.06 Non-Merger. The parties' representations, warranties, covenants, and agreements contained in this Agreement shall not merge on but shall survive the Closing for the survival period set forth in Section 6.02.

Section 12.07 Conditions in Favour of the Purchaser. Notwithstanding anything to the contrary in this Agreement, all conditions contained in this Agreement in favour of the Purchaser: (i) are included in this Agreement for the sole and exclusive benefit of the Purchaser (and may not be relied upon or invoked by the Vendor in order to terminate this Agreement); and (ii) may be waived by the Purchaser in the Purchaser's sole, subjective, unfettered, and unreviewable discretion (provided, however, that the waiver of any one such condition shall not constitute a waiver of any other such condition and shall not constitute a waiver or acceptance of any breach of any of the Vendor's covenants).

Section 12.08 Notices. Any notice, demand, approval, consent, information, agreement, offer, request or other communication (hereinafter referred to as a ("**Notice**") to be given under or in connection with this Agreement shall be in writing and shall be given by personal delivery or email to the address set out below or to such other address or electronic number as may from time to time be the subject of a Notice:

If to Vendor:	2352107 Ontario Inc.	
	Email:	paolo.abate@havendevelopments.ca
	Attention:	Paolo Abate
with a copy to:	Torkin Manes LLP	
	Facsimile:	1-888-554-6181
	Email:	aenglish@torkinmanes.com
	Attention:	Aaron M. English
If to Purchaser:	2753991 Ontario Inc.	
	Email:	robertoramesar@gmail.com
	Attention:	Roberto Ramesar
with a copy to:	Keyser Mason Ball, LLP	
	Email:	ddigregorio@kmblaw.com
	Attention:	David Di Gregorio

Any Notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by email with confirmation of transmission prior to 5:00 p.m.. shall be deemed to have been validly and effectively given and received on the Business Day it was sent unless the confirmation of transmission was after 5:00 p.m. in which case it shall be deemed to have been received on the next following Business Day.

Section 12.09 Entire Agreement and Amendments. This Agreement, together with any other documents incorporated herein by reference and all related schedules, constitutes the entire

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agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter. Neither this Agreement nor any provision hereof may be amended or modified except pursuant to an agreement or agreements in writing entered into by the Purchaser and the Vendor.

Section 12.10 Gender and Number. This Agreement shall be read with all changes of gender and number required by the context and shall enure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns. References to "including" in this Agreement shall mean "including, without limitation".

Section 12.11 Counterparts. This Agreement and any amendments, waivers, consents, or supplements hereto may be executed electronically (e.g. DocuSign) in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by sending a scanned copy (”PDF” or “tif”) by electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement.

[SIGNATURE PAGE FOLLOWS]

Docusign Envelope ID: D35BDE2D-E98E-4EFA-9D61-D2D3CABD8BFB

IN WITNESS WHEREOF the parties have each duly executed and delivered this Agreement.

2352107 ONTARIO INC.

by DocuSigned by: _____
96445806FC6E4CC...

Name: Paolo Abate

Title: Secretary

_____

Name:

Title

I/We have authority to bind the Corporation

2753991 ONTARIO INC.

by _____

Name:

Title:

_____

Name:

Title

I/We have authority to bind the Corporation

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IN WITNESS WHEREOF the parties have each duly executed and delivered this Agreement.

2352107 ONTARIO INC.

by _____

Name: Paolo Abate

Title: Secretary

_____

Name:

Title

I/We have authority to bind the Corporation

2753991 ONTARIO INC.

by DocuSigned by: ROBERTO RAMESAR 94DAA91355594E3...

Name: Roberto Ramesar

Title: Director

_____

Name:

Title

I/We have authority to bind the Corporation

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SCHEDULE 1

LEGAL DESCRIPTION OF THE LANDS

PIN 03620-1777 (LT)

BLOCK 1, PLAN 65M4790 EXCEPT PART 3, 65R40652; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3537823; SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 PLAN 65R40569 AS IN YR3604003; SUBJECT TO AN EASEMENT AS IN YR3608232; TOWN OF AURORA

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SCHEDULE 2

PERMITTED ENCUMBRANCES

Title to the Property is, and on the Closing Date may be, subject to the following Encumbrances (collectively, the "**Permitted Encumbrances**"):

1. Encumbrances for real property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities in connection with the Property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
2. Subdivision agreements, site plan control agreements, development agreements, servicing agreements, utility agreements and other similar agreements with governmental authorities or public utilities that do not materially impair the current use or operation of the Property.
3. Restrictive covenants, private deed restrictions, and other similar land use control agreements that do not materially impair the current use or operation of the Property.
4. Minor encroachments by the Property over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Property by improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners that, in either case, do not materially impair the current use or operation of the Property.
5. Any subsisting reservations, limitations, provisos, conditions or exceptions, including royalties, contained in the original grant of the Property from the Crown or interests therein, reservations of under surface rights to mines and minerals of any kind such as, rights to coal, petroleum and minerals of any kind and rights to enter, prospect and remove the same whether or not such subsisting reservations, limitations, provisos, conditions or exceptions are reserved to or vested in any governmental authority by any applicable laws.
6. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development.
7. Any title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Property as would be disclosed by an up to date plan of survey, certificate of location or technical description of the Property, or which have otherwise been disclosed to the Purchaser.
8. The exceptions and qualifications contained in Section 44(1) of the *Land Titles Act* (Ontario), except paragraphs 1, 2, 3, 5, 6, 8, 9, 11 and 14, provincial succession duties and escheats and forfeiture to the Crown.
9. Any rights of expropriation, access or user or any other similar rights conferred or reserved by or in any statutes of Canada or the Province of Ontario.
10. Any unregistered easements regarding the provision of utilities to the Property which do not materially impair the current use or operation of the Property.
11. Permits, licenses, agreements, easements, (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, rights-of-

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way, public ways, rights in the nature of an easement and other similar rights in land granted to or reserved by other Persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) which do not materially impair the current use or operation of the Property.

12. Security given to a public utility or any governmental authority when required by the operations of the Property in the ordinary course of business, including, without limitation, the right of the municipality to acquire portions of the Property for road widening or interchange construction and the right of the municipality to complete improvements, landscaping or remedy deficiencies in any pedestrian walkways or traffic control or monitoring to be provided to the Property.

13. Undetermined or inchoate liens incidental to construction, renovations or current operations, a claim for which shall not at the time have been registered against the Property or of which notice in writing shall not at the time have been given to the Vendor pursuant to the *Construction Act* (Ontario), and in respect of any of the foregoing cases, the Vendor has, where applicable, complied with the holdback or other similar provisions or requirements of the relevant construction contracts.

14. Any and all statutory liens, charges, adverse claims, prior claims, security interests, deemed trusts or other Encumbrances of any nature whatsoever which are not registered on the title to the Property and of which the Vendor does not have notice, claimed or held by His Majesty the King in Right of Canada, His Majesty the King in Right of the Province of Ontario, or by any other governmental department, agency or authority under or pursuant to any applicable legislation, statute or regulation.

15. Any registration against title to the Lands made by or on behalf of, or by any person claiming through, the Purchaser.

16. Any reference plans or plans registered pursuant to the *Boundaries Act* (Ontario).

17. Any Work Order (i) which arises out of or relates to any condition of the Property which was in existence prior to the expiry of the Inspection Period or earlier waiver by the Purchaser of the Purchaser's Inspection Condition, (ii) which is issued after waiver by the Purchaser of the Purchaser's Inspection Condition pursuant to, or in connection with, any new or amended law, by-law, code, regulation or other requirement of any lawful authority; or (iii) which arises out of or relates to any work performed by or on behalf of the Purchaser.

18. Any Encumbrance set out in the Due Diligence Materials.

19. All title instruments, qualifications and notations and the like set out on any parcel register for the Property as of the expiry of the Inspection Period, save and except for any mortgages, pledges, charges, liens, prior liens, debentures or similar instruments in respect of any financial obligations of the Vendor secured against the Property to be discharged in accordance with the terms of this Agreement.

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SCHEDULE 3

EXISTING LEASES

1. Lease dated May 19, 2023 between the Vendor, as landlord, and Starbucks Coffee Canada, Inc., as tenant.

2. Lease dated September 13, 2024 between the Vendor, as landlord, and 15445493 Canada Inc. (o/a Carbone Pizza), and Shubham Singla in his personal capacity, as tenant.

3. Lease dated March 22, 2023 between the Vendor, as landlord, and Nouman Corporation Inc. (o/a DQ Grill & Chill), as tenant.

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SCHEDULE 4

CONTRACTS

1. Snow ploughing and salting contract with Kings Valley Paving Inc.
2. Waste and recycling services contract with Public Disposal and Recycling Inc.

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SCHEDULE 5

WARNING CLAUSES

All capitalized terms contained in this Schedule 5 not otherwise defined in the Purchase Agreement shall have the meaning(s) ascribed to them in a subdivision agreement between the Vendor and The Corporation of the Town of Aurora registered against the title to the Property as a Permitted Encumbrance (the "**Subdivision Agreement**").

The Purchaser hereby acknowledges being warned and/or notified of the following matters and/or that title to the Property is, or will be, subject to the following restrictive covenants and/or restrictions:

1. The Purchaser is advised that there may be utilities, service boxes, hydrants, mailboxes, or other municipal services constructed adjacent to or upon boulevards in the vicinity of your building. In addition, grading of the subject or neighbouring properties may require the construction of swales, slopes, retaining walls, rear yard catch basins, fencing, or other devices. Certain services are not assumed by the Town. Such services are more particularly described under the terms of the Subdivision Agreement. For more detailed information please contact the Engineering Division of the Town of Aurora.

2. The Purchaser is advised that there are stormwater management controls that are specific to each block on the M-Plan as set out in the Subdivision Agreement registered on title to the lands that are required to be satisfied to the satisfaction of the Town's Engineering Division prior to the Town's execution of a Site Plan Agreement.

3. The Purchaser is advised that any public lands adjacent to their blocks are intended for the purpose of conservation and naturalization or stormwater management, and portions may be used for a public trail system and related amenities. These public lands are to remain as much as possible in their natural state. The Town of Aurora will not be responsible for any inconvenience or nuisance which may present itself in relation to these public land and related amenities. The Purchaser is further advised that encroachments of any kind will not be permitted and that fence gates or other means of access will not be permitted to access adjoining public lands from residential properties.

4. The Purchaser is advised the Developer is responsible to install chain link fencing, as a requirement of the Subdivision Agreement, along the lot lines of all Blocks abutting public lands. According to Town policy, chain link fencing shall be constructed on the municipal side of the property boundary.

5. The Purchaser is advised that there are architectural controls for the design and construction of all buildings, walkways, landscaping and all other elements as set out in the Subdivision Agreement registered on title to the lands that are required to be satisfied to the satisfaction of the Town's Planning Division prior to the Town's execution of a Site Plan Agreement.

6. The Purchaser is advised that the developer shall undertake and bear the cost of the following items and the Purchaser is not required to pay this expense:

    a. street trees (trees planted in the town boulevards);

    b. corner lot fencing as directed on the approved engineering plans;

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c. rear lot fencing as directed on the approved engineering plans;

d. noise attenuation fencing and berms as identified in the approved;

e. noise Impact Study and the approved engineering plans;

f. fencing (if required) along school blocks and municipal blocks on the approved engineering plans; and

g. subdivision entry features and fencing (if any approved) as identified on the landscape plans approved by the Town.

7. The Purchaser is advised that a Green Building and Development Initiatives report, or equivalent, shall be submitted to the satisfaction of the Town prior to the execution of a Site Plan Agreement respecting the construction of buildings on the Lands.

8. The Purchaser is advised that cash-in-lieu of parkland applicable to the development of each individual Block on the M-Plan shall be payable to the Town prior to building permit issuance at a rate of 1.513% per block valued as of the day before the day a building permit was issued in respect of any development on each block.

9. The Purchaser is advised that development charges shall be paid prior to the issuance of any building permits at the rates then prevailing.

10. The Purchaser is advised that potential transit routes, bus-stops and shelter locations shall be achieved through distribution of information/marketing materials (YRT route maps, Future Plan maps & providing YRT website contact information) at sales offices and appropriate notification clauses in purchase agreements. The YRT route maps and Future Plan maps are available from YRT upon request.

11. The Purchaser is advised that mail delivery will be from a designated Community mailbox, and to include the exact locations (list of lot #'s) of each of these Community mailbox locations; and further advise any affected homeowners of any established easements granted to Canada Post.

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EXHIBIT A

FORM OF TENANT ESTOPPEL

TO: • (the "**Purchaser**"), and its successors, assigns and lenders from time to time

RE: Lease dated • (the "**Lease**") between 2352107 Ontario Inc. (the "**Landlord**"), as landlord, and the undersigned (the "**Tenant**"), as tenant, of those leased premises located at the property municipally known as 1588 St. John's Sideroad, Aurora, Ontario (the "**Property**" or "**Demised Premises**")

The Tenant hereby certifies as follows:

1. The Tenant is the tenant as described in the Lease which has been validly executed and delivered by the Tenant, as tenant, and constitutes the only and the entire agreement between the Tenant and the Landlord respecting the Demised Premises and there are no other agreements with respect to our tenancy, except as follows (list any exceptions):

2. The Lease is unmodified except as set out in paragraph 1, in good standing, in full force and effect and represents a binding and enforceable agreement with respect to the Demised Premises between the Landlord and the Tenant.

3. There are no disputes or defaults relating to the Lease or the state of construction of the Demised Premises as of the date hereof on the part of the Landlord or the Tenant.

4. The Landlord has completed all construction, if any, required to be done by it in connection with the Demised Premises, except as follows (list any exceptions):

5. The Lease has a term which commenced on _____ and which will expire on _____ and there is no renewal option or other right to extend such date except as follows:

6. The Tenant is in possession of the Demised Premises and is paying the basic rent under the Lease as follows:

Period	Rate psf	Annual Rent	Monthly Payment

payable monthly, in advance, on the first day of each and every month during the term.

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7. The current monthly payment on account of realty taxes and operating costs being paid to the Landlord is $_____ plus HST and has been paid to the period _____, 202___.

8. The Tenant has not prepaid any rent or occupancy costs except $_____.

9. The Tenant has not paid any security deposit other than $_____.

10. The Tenant has no claim or right to claim for any deduction, abatement or set-off of any rent or occupancy costs under the Lease.

11. There are no: (i) tenant inducements or tenant allowances (including rent-free periods, rent-abatement periods or rent rebates); (ii) obligations with respect to any lease takeovers, lease assignments or lease assumptions; or (iii) costs and expenses of any landlord's work or improvements to rentable space in the Buildings to be performed by the Landlord, payable or to be performed by the Landlord or outstanding in connection with the Lease, except as follows (list any exceptions):

12. The Tenant has not assigned the Lease or sublet any portion of the Demised Premises. The Tenant has not encumbered or otherwise disposed of any or all of its interest in the Lease or the Demised Premises, except as follows (list any exceptions):

13. There are no options or rights to expand or reduce the Demised Premises, to lease any other premises in the Property or to purchase the Property.

14. The Tenant has not received any notice that the current Landlord has assigned the Lease or rent or other amounts payable under the Lease or any portion thereof.

15. This acknowledgment is given pursuant to the Lease and may be relied upon by the Purchaser, any permitted assignee of the Purchaser and any lender to the Purchaser whose loan is to be secured by the Property.

DATED: _____, 2025.

•

By: _____

Name:

Title:

Appendix “D1”

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AURORA MILLS
BUSINESS PARK

Block 6 - Unit(s) 5, 6, 7

AGREEMENT OF PURCHASE AND SALE

1.01 1.01 **Agreement to Purchase**

The undersigned Spectra Signs (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being number(s) 5, 6,7, Block 6, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act*, *1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

DS

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

to be provided within 24-hours after waiver of the Buyers conditions outlined herein

(b) the sum of [redacted] ~~forty five (45) days after the date of the Purchaser's execution of this Agreement~~, which sum, equals 10% of the Purchase Price;

(c) the sum of [redacted] by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5% of the Purchase Price; and

(d) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be _ _____ (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: Signage Fabrication (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the forty fifth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently

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made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

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DATED at 2/2/2022, this _____day of January, 2022. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

SPECTRA SIGNS

DocuSigned by:

Per: Robert Ascenzi
82D1B76A71714C7...
Name:
Title:

Per: _____
Name:
Title:
I/We have the authority to bind the corporation

Purchasers' Address:

299 Basaltic Rd., Unit 3

Concord, ON L4K 4W8

Purchaser's Telephone Numbers:

Home: (_____)

Business: (905-660-7310)

Fax: (_____)

E-mail: (robjr@spectra-signs.com)

Purchasers' Solicitor:

Name: _____

Address: _____

Tel: _____ Fax: _____

2352107 Ontario Inc.

Per: _____
Name: Paolo Abate
Title: Director

I have authority to bind the Corporation.

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: **Aaron M. English**
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

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AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act*, *1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the loading and service areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) "**Lands**" or "**Property**" shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M- _____, currently being parts of PIN Nos. 03620-1629 and 03620-1632 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

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the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

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for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia*, the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

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accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld or delayed. The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet, regardless of whether or not the Vendor provides the requested consent;

(v) The Vendor shall have the right to enter the Unit at all reasonable times (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of electricity in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s) or utility provider(s) selected by the Vendor in the form required by such utility monitor(s) or utility provider(s) as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s) or utility provider(s) prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

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responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

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and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule “B” attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or

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otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) in the Vendor's sole and absolute subjective discretion. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be;

(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of ten thousand ($10,000.00) dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's

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Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the

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Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee**,** plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) inches high and twenty (20) inches wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

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(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

5. **No Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the "**ONHWPA**") and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA.

The Purchaser acknowledges and agrees that other than the Vendor's obligation to complete the Unit in a good and workmanlike fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage,

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twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

6. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend

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personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

7. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

8. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

9. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park

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area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "Development Agreements");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium, including, without limitation, the restrictions relating to Exclusivity Rights as more particularly set out in this Agreement and in the Condominium Documents;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

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(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is

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not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 9 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 9 or to evidence the survival of the terms herein set out.

10. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To-take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

11. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) (i) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(ii) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced

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by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

12. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

13. **Adjustments and HST**

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor’s contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor’s option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

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(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads;

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area;

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs (collectively, the "**Levies**") incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority, and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor;

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up

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fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor’s solicitor’s reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

(w) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the leasing of the generator(s) and/or boiler(s) for the Condominium prior to registration of the Declaration and Description; and

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto.

If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor’s solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor’s solicitor, by way of certified cheque(s) drawn on a solicitor’s account and made payable to the Vendor’s solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and other services attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith

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upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

14. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

15. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

16. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser’s only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor’s reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and

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which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

17. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

18. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

19. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

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(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser’s Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 19 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits an amount apportioned to the Unit and the Purchaser on account of the Vendor’s legal fees relating to such termination and the return of the Purchaser’s deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance (but in any case not less than $10,000) as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall

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be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

20. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

21. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

22. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

23. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

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In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

24. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser’s expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor’s consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor’s solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser’s solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor’s solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser’s solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor’s solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor’s Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor’s solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

25. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor’s tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in

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writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

26. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

27. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

28. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

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Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5**,** with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

29. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

30. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

31. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

32. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 4:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser

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shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

33. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future development agreements affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such acknowledgements or amendments forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

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(b) The Purchaser expressly acknowledges that at the date of execution of this Agreement, draft plan and/or site plan approval pursuant to the provisions of the Planning Act, R.S.O. 1990 (the draft conditions) as amended may not yet have been obtained with respect to the Condominium. The Purchaser further acknowledges that the draft conditions and any Development Agreements may contain warnings, and other provisions which are required to be included in agreements of purchase and sale for units in the Condominium. The Purchaser covenants and agrees to execute any and all documentation, including an amendment to this Agreement, as may be required by the Vendor, and in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement, and acknowledged by the Purchaser.

(c) Without limiting the generality of the preceding subparagraph, the Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs,

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illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor’s operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John’s Sideroad) and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor’s construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser’s successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser’s successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser’s successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of

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such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other problems, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(w) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

34. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

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35. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

36. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

37. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

38. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

39. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

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(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium, and will not violate any of the Exclusivity Rights in favour of certain units in the Condominium as described above.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

40. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser covenants and agrees to provide to the Vendor, forthwith upon request by the Vendor, all identity and other information required by the Vendor in order to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000 as amended, as well as the Financial Transactions and Reports Analysis Centre of Canada. In addition, for the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Unit, 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 residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information, 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

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entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

(a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, as well as other future condominium declarants 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 condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(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 condominiums 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, and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, 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 Unit and the installation of upgrades ordered or requested by the Purchaser and agreed to by the Vendor;

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

(h) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);

(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(1)(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 the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the condominium corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

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

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

41. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement

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is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

42. **Purchaser Selling or Assigning**

The Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

43. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

Purchaser(s) initials

DS

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AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.

Demising Walls:

- 6 Inch concrete block walls from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 25 feet, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Steel exit door with metal frames and vendor standard hardware.
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

Warehouse Area:

- Heating will be provided by a gas forced air hanging unit, suitable for size of warehouse area as determined by Vendor engineers and consultants.

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Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

Initials of Purchaser(s)

DS

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AURORA MILLS
BUSINESS PARK

SCHEDULE "C"
TO AGREEMENT OF PURCHASE AND SALE

ADDITIONAL PURCHASER CLAUSES

1. The Purchaser has requested certain upgrades to be made to the overhead garage door size, office finishing, and demising walls, among other items. All such upgrades and their respective costs shall be negotiated and agreed to with the Purchaser which shall be over and above, or otherwise in additional to the purchase price of the units.

DS RA

2. Conditions: 60 calendar day condition on all matters relating to title, zoning, condo disclosure, financial matters, c contracts or obligations related to the property.

DATED at 2/2/2022, this _____ day of January, 2022.

SPECTRA SIGNS

DocuSigned by:

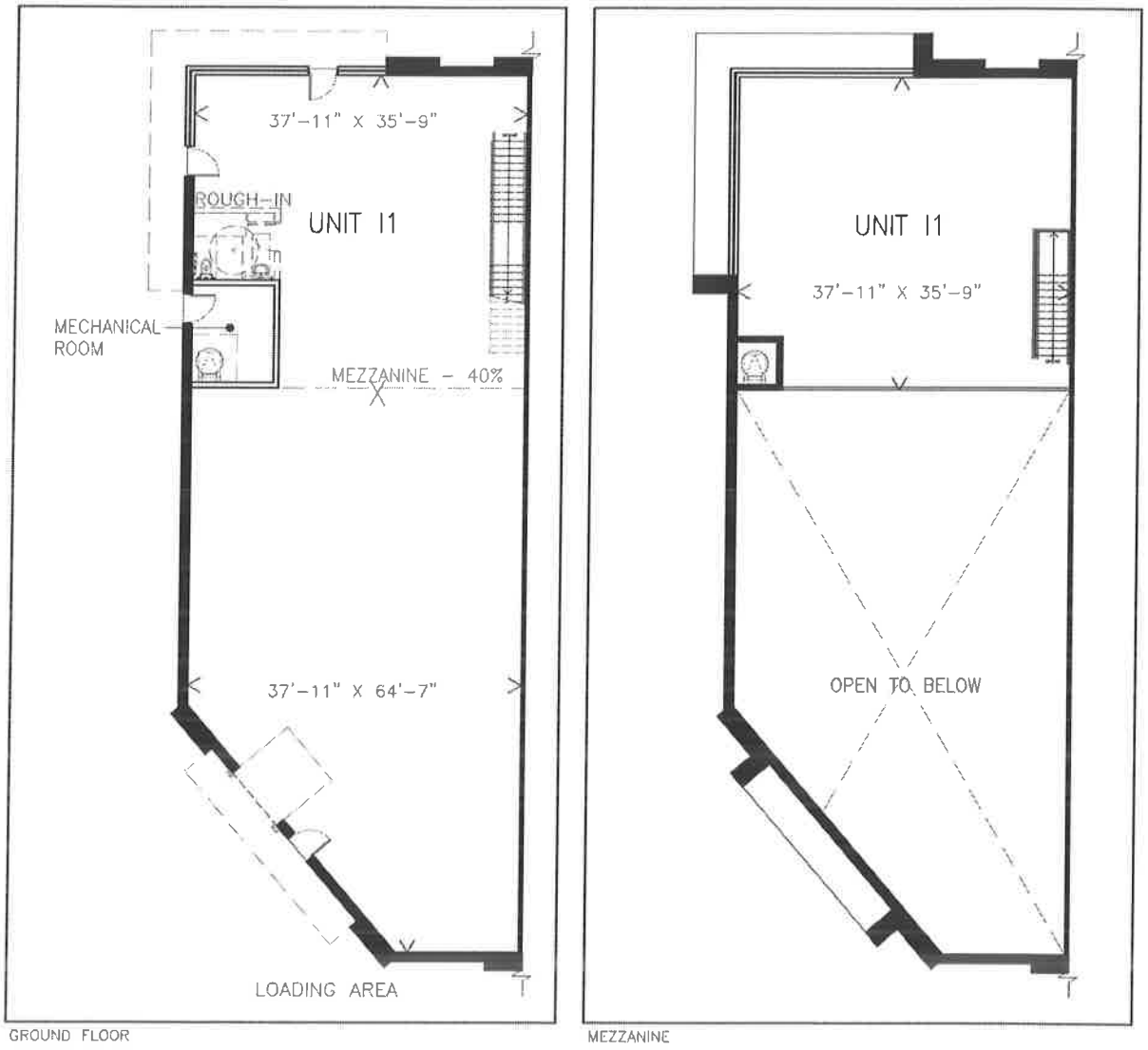
Per: Robert Ascenzi
82D1B70A71714C7...
Name:
Title:

Per: _____
Name:
Title:
I/We have the authority to bind the corporation

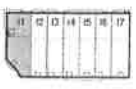
DocuSign Envelope ID: 9EADC70F-4A41-4C09-8A94-AD80556779B9

SCHEDULE "D"

AURORA MILLS



BUILDING "I" - BLOCK 6
UNIT 11
5,136.000 SQ.FT.



HAVEN DEVELOPMENTS

PURCHASER SIGNATURE: DocuSigned by: Robert Ascenzi 82D1B76A71714C7...

PURCHASER SIGNATURE: _____

VENDOR SIGNATURE: _____

DATE: 2/2/2022

All dimensions, specifications, drawings and illustrations are approximate and are subject to change without notice. Location of structure at building perimeter varies. Actual square footage may vary from that stated hereon. E. & O.E.

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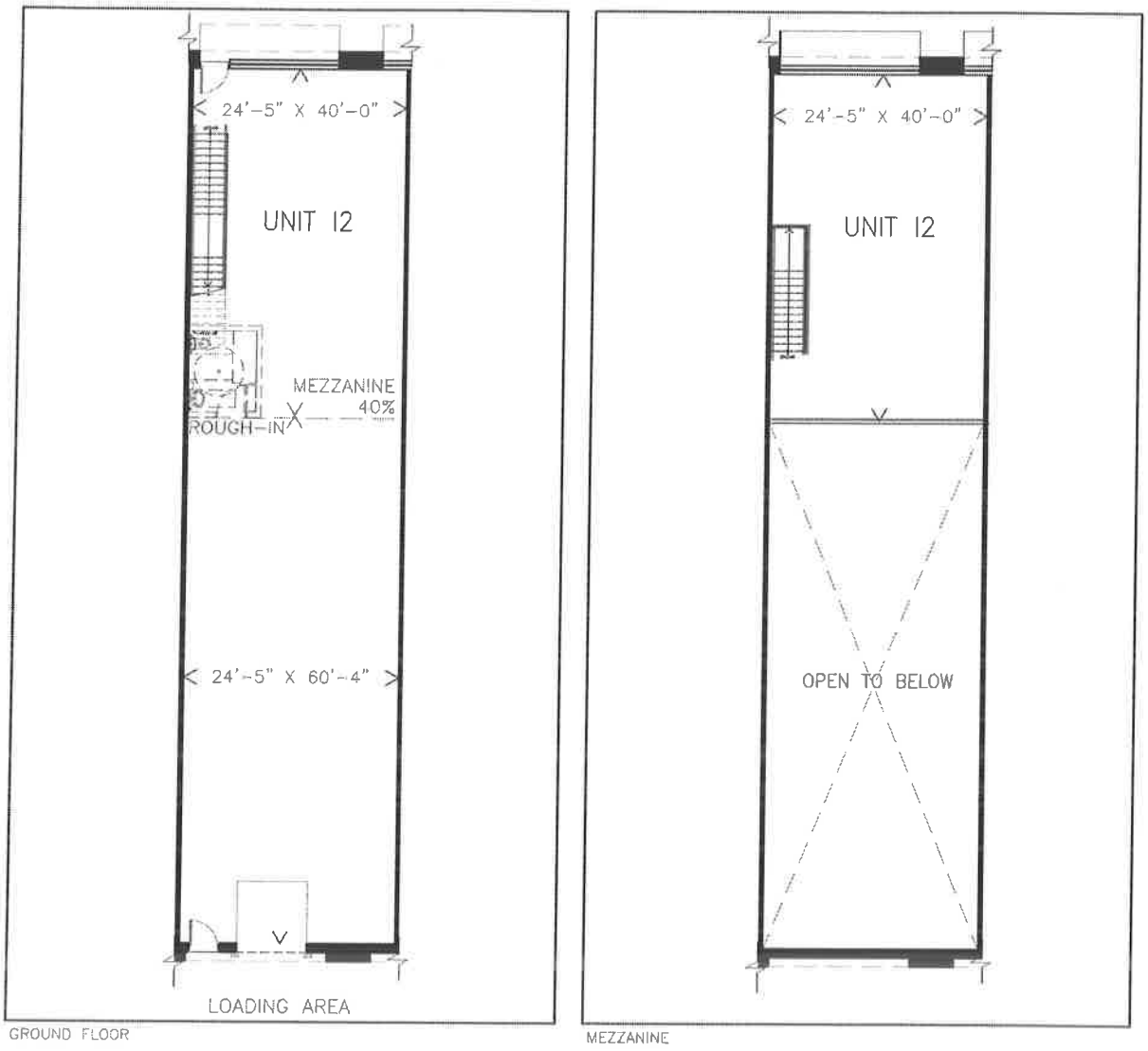
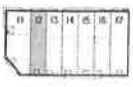
SCHEDULE D

AURORA MILLS



BUILDING "I" – BLOCK 6
UNIT 12
3,601.430 SQ.FT.



HAVEN DEVELOPMENTS

PURCHASER SIGNATURE: DocuSigned by: Robert Ascenzi 82D1B76A71714C7...

PURCHASER SIGNATURE: _____

VENDOR SIGNATURE: _____

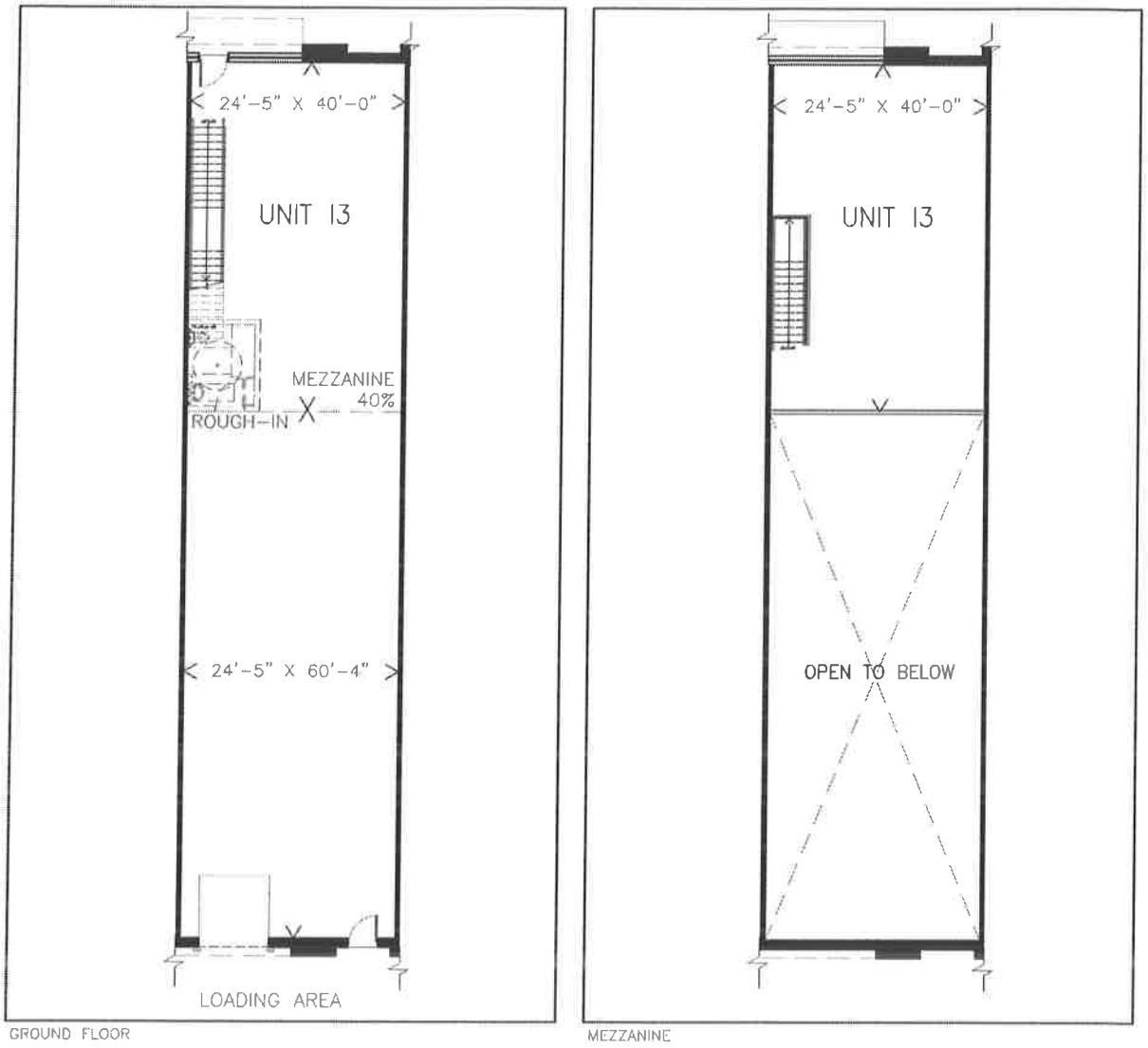
DATE: 2/2/2022

All dimensions, specifications, drawings and floorplans are approximate and are subject to change without notice. Location of structure at building possession varies. Actual usable floorspace may vary from that stated herein. E. & O.E.

DocuSign Envelope ID: 9EADC70F-4A41-4C09-8A94-AD80556779B9

SCHEDULE "D"

AURORA MILLS



BUILDING "I" – BLOCK 6
UNIT 13
3,600.935 SQ.FT.



HAVEN DEVELOPMENTS

DocuSigned by:
PURCHASER SIGNATURE: Robert Ascenzi
82D1B76A71714C7...

PURCHASER SIGNATURE: _____

VENDOR SIGNATURE: _____

DATE: 2/2/2022

All dimensions, specifications, drawings, and floorplans are approximate and are subject to change without notice. Location of structure or building perimeter walls. Actual square footage may vary from that stated herein. E. & O.E.

Appendix “D2”

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AURORA MILLS
BUSINESS PARK

Block 5&6, Unit I7

AGREEMENT OF PURCHASE AND SALE

1.01 **Agreement to Purchase**

The undersigned 2851156 Ontario Limited (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being Block 5 & 6, Unit number I7, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of [redacted] upon waiver of any Conditions;

(c) the sum of [redacted] sixty (60) days after the date of the Purchaser's execution of this Agreement, which sum, equals 5% of the Purchase Price;

(d) the sum of [redacted] by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5% of the Purchase Price; and

(e) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be _____ (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: Office & Storage (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

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DATED at_____, this_____day of_____, 2022. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

2851156 Ontario Limited

Per: _____
Name:
Title:

Per: _____
Name: Gerardo Campoli
Title: President
I/We have the authority to bind the corporation

Purchasers' Address:
150 Creditstone
Road, Concorde,
Ontario

2352107 Ontario Inc.

Per: _____
Name: Paolo Abate
Title: ASO
I have authority to bind the Corporation.

Purchaser's Telephone Numbers:

Home: (_____)

Business: (416-464-9464_____)

Fax: (_____)

E-mail: jerry@campforming.com

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: Aaron M. English
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

Purchasers' Solicitor:

Name: _____

Address: _____

Tel: _____ Fax: _____

DocuSign Envelope ID: 3D75A4FE-6513-4377-8025-B924B5A41138

AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.

Demising Walls:

- 6 Inch concrete block walls from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 25 feet, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Steel exit door with metal frames and vendor standard hardware.
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

Warehouse Area:

- Heating will be provided by a gas forced air hanging unit, suitable for size of warehouse area as determined by Vendor engineers and consultants.

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Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

Initials of Purchaser(s)

DS GL

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AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

THE UNDERSIGNED, being the Purchaser of the Unit described as Block 5 & 6, Unit I7, (the "**Unit**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated _____ and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

DATED at _____, this 5/2/2022 day of _____, 2022.

2851156 Ontario Limited

Per: _____
Name:
Title:

Per: _____
Name: Gerardo Campoli
Title: President
I/We have the authority to bind the corporation

DocuSigned by:
Gerardo Campoli

DocuSign Envelope ID: 3D75A4FE-6513-4377-8025-B924B5A41138

AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act*, *1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the loading and service areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) "**Lands**" or "**Property**" shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M- _____, currently being parts of PIN Nos. 03620-1629 and 03620-1632 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

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the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. **For clarity, the interest rate to be charged on the Unpaid Balance shall be the interest rate prescribed in Section 19 of O. Reg. 48/01 to the Act, as same may be amended or replaced from time to time.** The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

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for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

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On the Occupancy Date, the Purchaser shall have the option of paying the entirety, but no only part, of the balance of the Purchase Prices after accounting for the amounts of the Deposit than paid to date, in which even the occupancy Fee referenced herein shall not include any interest on the Unpaid Balance. The Purchaser shall be required to give notice of its exercising of such option at least 10 days prior to the Occupancy Date, failing which such option shall be null and void.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia*, the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

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accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent **shall not be** arbitrarily **or unreasonably** withheld or delayed, **provided that the Vendor has sold at lease 90 % of the Units in the proposed condominium and in each of the Standard Condominiums, failing which the Vendor shall be entitled to arbitrarily or unreasonably withhold or delay such consent.** The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet, regardless of whether or not the Vendor provides the requested consent;

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(v) The Vendor shall have the right to enter the Unit at all reasonable times (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of electricity in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s) or utility provider(s) selected by the Vendor in the form required by such utility monitor(s) or utility provider(s) as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s) or utility provider(s) prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

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responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

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and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule “B” attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or

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otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) in the Vendor's sole and absolute subjective discretion. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be. **Costs for developer's engineer or architects to review plans to be capped at $250.00.**

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(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of **five thousand ($5,000.00)** dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

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(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's

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Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the

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Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee**,** plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) inches high and twenty (20) inches wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

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(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

5. **No Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the "**ONHWPA**") and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA.

The Purchaser acknowledges and agrees that other than the Vendor's obligation to complete the Unit in a good and workmanlike fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage,

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twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

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5a. Trade Warranties - The Vendor will use its best efforts to enforce warranties provided by the trades for the Unit, with respect to any deficiencies, for a one year period following occupancy.

6. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend

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personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

7. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

8. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

9. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park

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area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "Development Agreements");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium, including, without limitation, the restrictions relating to Exclusivity Rights as more particularly set out in this Agreement and in the Condominium Documents;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

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(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is

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not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 9 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 9 or to evidence the survival of the terms herein set out.

10. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To-take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

11. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) (i) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(ii) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced

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by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

12. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

13. **Adjustments and HST**

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor’s contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor’s option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads. **Adjustments related to section (f) shall be capped at a maximum of $7,500.00.**

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area. **Adjustments related to section (g) shall be capped at a maximum of $7,500.00.**

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs (collectively, the "**Levies**") incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority, and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor. **Adjustments related to section (j) shall be capped at a maximum of $40,000.00 for the Unit.**

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up

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fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor's solicitor's reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

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(w) **Intentionally Deleted**

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto. If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor's solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor's solicitor, by way of certified cheque(s) drawn on a solicitor's account and made payable to the Vendor's solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and other services attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith

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upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

14. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

15. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

16. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser’s only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor’s reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and

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which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

17. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

18. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

19. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

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(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser’s Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 19 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits an amount apportioned to the Unit and the Purchaser on account of the Vendor’s legal fees relating to such termination and the return of the Purchaser’s deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance (but in any case not less than $10,000) as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall

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be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

20. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

21. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

22. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

23. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

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In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

24. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser’s expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor’s consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor’s solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser’s solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor’s solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser’s solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor’s solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor’s Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor’s solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

25. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor’s tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in

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writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

26. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

27. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

28. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

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Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5**,** with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

29. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

30. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

31. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

32. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 4:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser

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shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

33. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future development agreements affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such acknowledgements or amendments forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

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(b) The Purchaser expressly acknowledges that at the date of execution of this Agreement, draft plan and/or site plan approval pursuant to the provisions of the Planning Act, R.S.O. 1990 (the draft conditions) as amended may not yet have been obtained with respect to the Condominium. The Purchaser further acknowledges that the draft conditions and any Development Agreements may contain warnings, and other provisions which are required to be included in agreements of purchase and sale for units in the Condominium. The Purchaser covenants and agrees to execute any and all documentation, including an amendment to this Agreement, as may be required by the Vendor, and in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement, and acknowledged by the Purchaser.

(c) Without limiting the generality of the preceding subparagraph, the Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs,

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illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor’s operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John’s Sideroad) and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor’s construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser’s successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser’s successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser’s successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of

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such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other problems, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(w) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

34. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

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35. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

36. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

37. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

38. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

39. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

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(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium, and will not violate any of the Exclusivity Rights in favour of certain units in the Condominium as described above.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

40. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser covenants and agrees to provide to the Vendor, forthwith upon request by the Vendor, all identity and other information required by the Vendor in order to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000 as amended, as well as the Financial Transactions and Reports Analysis Centre of Canada. In addition, for the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Unit, 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 residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information, 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

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entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

(a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, as well as other future condominium declarants 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 condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(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 condominiums 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, and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, 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 Unit and the installation of upgrades ordered or requested by the Purchaser and agreed to by the Vendor;

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

(h) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);

(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(1)(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 the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the condominium corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

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

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

41. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement

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is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

42. **Purchaser Selling or Assigning**

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Except as indicated in Clause 2. e) iv. the Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

43. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

Initials of Purchaser(s)

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Ontario's Residential Condominium Buyers' Guide

Last Updated: November 6, 2020

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Ontario's Residential Condominium Buyers' Guide - Using the Condo Guide

Purpose

According to section 72 (1) of the Condominium Act, 1998 (the "Condo Act"), Ontario's Residential Condominium Buyers' Guide ("the Condo Guide") prepared by the Condominium Authority of Ontario (CAO) is required to be provided to buyers of residential pre-construction/new condo units by the declarant ("developer") when buyers are purchasing from the developer or a person acting on behalf of or for the benefit of the developer. Purchasers of resale residential condo units may also wish to review the Condo Guide.

This Condo Guide has been approved by the Minister of Government and Consumer Services.

The purpose of the Condo Guide is to provide condo purchasers in Ontario with information and resources to make a more informed decision when purchasing a residential condo unit ("unit").

Under section 73(2) of the Condo Act, purchasers have a 10-day cooling off period in which they may rescind their agreement of purchase and sale. This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale and your disclosure documents and the Condo Guide. The CAO recommends that you carefully review the disclosure statement, agreement of purchase and sale, and the Condo Guide within the 10-day period.

The Condo Guide can be found below, commencing on page three with the table of contents, and will be updated from time-to-time. To confirm that you have the most up-to-date version, please visit the CAO website at www.thecao.ca.

Important Information Regarding Governing Documents

To make sure a particular condominium corporation ("condo corporation") is right for you, you may wish to read a condo corporation's existing or proposed governing documents, as applicable, before purchasing a unit. Information describing these governing documents, which consist of **1) the declaration; 2) the by-laws; and 3) the rules** is provided in the Condo Guide in Sections 1.1 and 3.3.

These documents, along with the rest of the disclosure statement (including the budget statement), and the agreement of purchase and sale, contain important information about what you are buying, and what you will need to pay for etc. This information may impact your decision to purchase a unit. If you have questions about the information contained in these documents, you may want to seek help from a legal professional.

Key Information for Buyers of Pre-Construction Residential Condo Units

To find information about buying a unit from a developer, you should review the following sections of the Condo Guide:

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- Introduction
- Part 1.1: Before You Buy a Pre-Construction Condominium Unit
- Part 1.2: Buying a Pre-Construction Condominium Unit
- Part 1.4: Additional Considerations
- Part 2: Moving into a Pre-Construction Condominium Unit

For more information on rescission of agreements of purchase of sale within the 10-day cooling off period, please visit Part 1.2 of the Condo Guide.

Key Information for Buyers of Resale Residential Condo Units

To find information about buying a unit from an existing owner (i.e. a 'resale condo' that is not sold by the developer), you should review the following sections of the Condo Guide:

- Introduction
- Part 1.3: Buying a Resale Condominium Unit

Key Information for Condominium Owners

To find information about condo living and governance that may be helpful before or after your condo purchase, you should review the following sections of the Condo Guide:

- Part 2.3: Tarion and the Ontario New Home Warranties Plan Act
- Part 3: Condo Living
- Part 4: Resources for Issues Resolution

Next Steps

Given the importance of this buying decision and the many factors to the condo purchase process, along with your expectations for condo living, it is important that you carefully review the condo corporation's governing documents, the rest of the disclosure statement (including the budget statement), the agreement of purchase and sale, and this Condo Guide. Also, the CAO is encouraging condo owners to subscribe to our email list to receive important email updates from the CAO. You can subscribe by either clicking here.

Additional information on the above can also be found on the CAO's website at www.thecao.ca.

You may also wish to consider seeking legal advice for any questions or concerns that you may have.

Please note that the material in the Condo Guide should not be interpreted as legal advice.

This Condo Guide has been approved by the Minister of Government and Consumer Services and is intended to apply to the purchase of new and pre-construction residential condominium units beginning on January 1, 2021.

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Ontario's Residential Condominium Buyers' Guide

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Introduction

What is a Condominium?

When most people hear the word “condo” they may think of a single residential tower or maybe a townhouse, but what “condo” really refers to is a specific kind of real estate ownership structure that involves shared ownership of common elements and community decision making. This means that a condo could resemble a park, parking lot, or even an empty field. If you are considering purchasing property in a condo corporation, it is important to understand upfront that condo living involves shared ownership and therefore a responsibility to your community.

Unlike when you own a traditional house, when you purchase a condo you become part of a condo community and become responsible for paying your share of the common expenses and complying with the condo corporation’s governing documents, among other things. You will also be able to participate in condo governance by, for example, voting for directors.

A “condo” is also a type of corporation. A condo corporation is responsible for making decisions about the condo property on behalf of the owners. A condo corporation may also get a condo manager/management services provider to help manage the property and the affairs of the corporation on the corporation’s behalf. The condo property is described in certain documents that must be completed and officially registered to establish the condo corporation. Those documents specify how the land is divided into units and common elements, as applicable. The owner of the land where the condo corporation is being established arranges for those documents to be registered with a Land Registry Office. That owner is known as a “declarant”, who may be the developer of the land. The condo owners (e.g., unit buyers) are the members of the condo corporation. The Condo Act sets out rights and responsibilities related to the management of a condo, including rights and responsibilities of condo owners and condo boards.

Condo corporations are created for many different uses including for residential, commercial, industrial, or mixed-use purposes.

Different Kinds of Condominiums

The Condo Act outlines various types of condo corporations. There are two main categories of condo corporations: freehold and leasehold. Freehold condos are condo corporations where the condo property is owned by the condo owners. Leasehold condos are condo corporations on leased land. Owners have a leasehold interest in units and common elements but do not own the land. Under the Condo Act, there are **four** different types of freehold condos:

1. Standard Condominium

- The most common type of condo corporation in Ontario.
- Has individual units.
- May include common elements, which often include areas such as a foyer, exterior walls, and amenities (e.g., pools, gardens).

2. Phased Condominium

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- A condo corporation that is intended to be built and registered in phases.
- New units and common elements are constructed and added to the condo corporation.
- Upon completion, a phased condo corporation becomes a standard condo corporation.

3. Vacant Land Condominium

- The units may be vacant lots at the time of purchase, and the layout of the lands may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.
- The developer can sell the lots as vacant or build (e.g., homes) on the lots and sell the lots with buildings on them.

4. Common Elements Condominium

- There are no units in this type of condo corporation. Instead, ownership is of a common interest in the common elements of the condo corporation by a separate parcel of land that is "tied" to the common elements corporation.
- Owners purchase a part of a common elements. Examples include shared roads, golf courses, or ski hills.

Leasehold Condominium

- Developed on land that is leased for a term between 40 and 99 years.
- Common expenses include a portion of the rent payable to the landowner.
- Once the lease expires, the owners' rights to occupy their units are automatically terminated.
- Leasehold condo corporations may be less common in Ontario.

It is important to note that the Condo Act has some different requirements for different types of condo corporations.

Part 1: Buying a Condominium Unit

1.1 Before you Buy a Condominium Unit

One of the most important steps you can take before you buy is to educate yourself and get the help you need to make an informed decision. Consulting this Condo Guide is a good start, but it is also important to seek legal advice before you buy. Buying a condo is a complex process and involves reviewing lengthy and sometimes difficult-to-understand documents. Seeking legal advice is the best way to ensure you are making an informed decision.

Reviewing a condo corporation's governing documents provides an opportunity to learn important information about the condo corporation you are considering. The information found in a condo corporation's governing documents may be key to your enjoyment of your unit and could have an impact on your buying decision. For more information on governing documents, including the 1) the declaration; 2) the by-laws; and 3) the rules**,** see section 3.3.

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Researching builders is another important step you may wish to take before purchasing a pre-construction unit. It is important to ensure that the builder you plan to buy a unit from is licensed by Tarion (Ontario's new home warranties and protections administrator – for more information see section 2.3 of this Condo Guide).

Tarion's Ontario Builder Directory is a useful resource for confirming the status of the builders before you buy. Please note that the Ontario Builder Directory will be available through The Home Construction Regulatory Authority (HCRA) starting in early 2021.

The HCRA is an independent, not-for-profit corporation that is preparing to potentially be designated as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If a regulatory authority is designated, Tarion would cease to provide this function, subject to potential exceptions during transition. At this time, it is expected that the future regulatory authority would be operational in early 2021.

1.2 Buying a Pre-Construction Condominium Unit

Documents to Review

Along with reviewing the information in this Condo Guide, it is important to review and fully understand the information in the following documents that are generally required to be provided to purchasers by developers:

1. **Pre-construction Agreement of Purchase and Sale**

The agreement of purchase and sale, sometimes referred to as the purchase agreement, contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations, the unit, and the condo construction project. You may wish to review this document carefully with a legal professional.

2. **Tarion's Information Sheet for Buyers of Pre-Construction Condominium Homes about the Possible Termination of Purchase Agreement**

All buyers of residential units in a standard or phased pre-construction condominium project where the first arm's length purchase agreement for the project was signed on or after January 1, 2020 must be given an information sheet that includes an outline of the possible risks of buying a unit in a pre-construction condominium project, in addition to other information (e.g., the estimated occupancy date for your unit and the status of construction).

3. **Tarion Addendum**

The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to. Information contained in the Tarion Addendum includes the delayed occupancy warranty provided by the builder, in accordance with the Ontario New Home Warranties Plan Act. The Tarion Addendum also contains a Statement of Critical Dates and early termination conditions that apply to the

agreement. In a disagreement or dispute about information contained within the agreement of purchase and sale and the Tarion Addendum, the Tarion Addendum prevails over the agreement of purchase and sale document and any other attachments to the extent of any conflict or inconsistency.

4. **Disclosure Statement**

Another very important document to review and understand is the disclosure statement which the builder is required to provide to condo buyers who buy directly from the developer or a person acting for the developer's benefit. This is required under section 72 of the Condo Act. Your agreement of purchase and sale is not binding on you as a buyer until you receive the disclosure statement and this Condo Guide from the developer.

The disclosure statement includes a lot of important information, including but not limited to:

- A copy of the existing or proposed declaration, by-laws, and rules for the condo corporation.
- A summary of the agreements to be entered into by the builder before the turn-over meeting, including agreements for condo management services and services like repairs and landscaping, and
- A copy of the budget statement for the first year after registration of the condo corporation.

It is important to carefully review the disclosure statement, consult with a legal professional about it and ensure that you do not have any outstanding questions.

Deposits

Generally, under the Condo Act, funds received by the builder of a condo project must be held in trust. This includes deposits and certain other payments covered by the purchase agreement.

If a project is terminated, the builder is generally required under the Tarion Addendum to refund all monies paid, plus interest, if any, calculated in accordance with the Condo Act (for information on the interest rates, see section 19 (3) of Ontario Regulation 48/01 under the Condo Act).

If the money is not refunded, then buyers may be able to make a claim to Tarion under the *Ontario New Home Warranties Plan Act*. Deposits and other payments by residential condo buyers are protected under the *Ontario New Home Warranties Plan Act* for up to a maximum of $20,000.

For more information about deposit protection, please click here.

Cooling Off Period and Rescission of Agreement

Section 73 of the Condo Act provides you as a buyer with a cooling off period of 10 days to consider whether you want to proceed with the purchase. Section 73 allows you to rescind the purchase agreement by notifying the developer of your wish to do so within the 10-day cooling off period.

This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale executed by the declarant and the purchaser and your disclosure documents and Condo Guide. Within the 10-day cooling off period, you have the right to rescind or cancel the purchase agreement that you have signed for any reason whatsoever. Generally, you should also be refunded, without penalty or charge, all money deposited toward the purchase price, along with any applicable

interest (for information on the interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

Additionally, the Condo Act provides for a further rescission right where there is a material change in the disclosure statement. If there is a material change (i.e. an important change that would have caused a reasonable buyer to no longer want to proceed with the purchase, had that information been included in the disclosure received by the purchaser), then you may be able to rescind or cancel your purchase agreement during an additional 10-day cooling off period. This 10-day cooling off period starts from the later of:

1. the date that the declarant has delivered a revised disclosure statement or a notice to you confirming the material change;
2. the date that you otherwise become aware of the material change; or
3. the date that the Ontario Superior Court of Justice has determined that a material change has occurred.

Occupancy Dates & Delayed Occupancy

A page of the Tarion Addendum within your agreement of purchase and sale contains a Statement of Critical Dates which must be signed by both the condo buyer and the builder. The Statement of Critical Dates sets out when the builder expects to finish the unit and the latest dates for permitted extensions. You should review these dates closely including the firm occupancy date and the outside occupancy date.

Note that condo construction can sometimes be delayed, which means you may not be able to take occupancy of your unit on the anticipated occupancy date set out in the agreement. This is called delayed occupancy.

Your new home warranty coverage includes delayed occupancy coverage in certain circumstances. Details on the delayed occupancy warranty are provided in the Tarion Addendum in your agreement of purchase and sale.

For more information about occupancy dates and delayed occupancy warranty, visit Tarion's webpage.

Condo Cancellations

Pre-construction condo projects can sometimes be cancelled even after you have made a deposit on your purchase. This is because there are many stages in building a condo that may remain to be completed after you have made a deposit. The Tarion Addendum forming part of your purchase agreement must set out any conditions that may result in the condo not proceeding and therefore the potential termination of the purchase agreement. In these cases, it is the vendor who would terminate the agreement.

These conditions may include, but are not limited to:

- Failure to sell enough units,

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- Inability to secure financing for the project, or
- Delays in obtaining the required building or planning approvals.

It is important for you to be aware of the potential conditions when you are thinking of entering the purchase agreement. Buyers may wish to review the Tarion Addendum for identification of early termination conditions applicable to their purchase agreement.

In most cases, if a condo project is cancelled, buyers are entitled to get their deposit back, plus any accrued interest, if applicable. The Condo Act also provides for interest to be paid based on an interest rate calculation (for more information on those interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

For more information on condo cancellations, please click here.

1.3 Buying a Resale Condominium Unit

Purchasing a resale unit involves buying a unit from the current owner rather than from the developer. If you are thinking of buying a resale unit, it is important to do your research on the unit and condo corporation before making any decisions and consult a legal professional. **Before purchasing a unit, you may wish to consider the following:**

- **The status of the reserve fund and age of the building.** A reserve fund is required to ensure that the condo corporation has enough money to pay for major repairs and replacement of the common elements and assets of the condo corporation. It is important to note if the building will require any significant repair, maintenance or updating with its age and the plan for addressing those issues. You should consider the health of the reserve fund and review what is your responsibility to repair and maintain.
- **Common expenses**. This is the amount unit owners pay toward the operation of the condo corporation (e.g., security costs, cleaning costs, etc.) and contributions to the reserve fund. It is important to incorporate common expense fees into your budget when considering purchasing a condo. Common expense fees may change over time depending on the needs of the condo corporation.
- **The units and common elements**. The size, layout, and boundaries of the unit and the common elements generally will not change. You may wish to consider what is your responsibility to repair and maintain. For more information on units and common elements, see section 3.5 of this Condo Guide.
- **Amenities.** Consider that, in general, all the owners must pay for the common elements, regardless of whether you use them or not.
- **Litigation.** It is important to be aware of any litigation against the condo corporation or that the condo corporation is a party to, as owners generally will be responsible for the costs. If the condo corporation cannot cover the costs with the operating fund, a special assessment (an extra one-time charge added to an owner's common expenses) may be required. You can

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learn about on-going litigation by requesting a status certificate from the condo corporation, which is described in the next section.

- **New Home Warranty Information.** You may wish to consider whether the unit is still covered by any remaining new home warranties and protections under the *Ontario New Home Warranties Plan Act*. There are three different warranty periods that cover different types of defects, the longest of which is seven years. The maximum statutory coverage available is $300,000. More information about new home warranties and protections can be found on the Tarion website. To check the status of your home's warranty you may wish to contact Tarion by phone (toll free) 1-877-982-7466 or via e-mail at ismyhomecovered@tarion.com.

Documents to Review

- **The condo corporation's governing documents.** You will be required to abide by your condo corporation's declaration, by-laws, and rules. For more information see section 3.3 of this Condo Guide.
    - The declaration is the foundational document of the condo corporation and includes, among other things, the proportion which each unit owner contributes to common expenses and the repair and maintenance responsibilities of owners vs. the condo corporation. The declaration may also include information about how units and common elements can or cannot be used. The existing or proposed declaration will be included in the disclosure statement you receive from the developer when purchasing a pre-construction/new condo.
    - The by-laws may lay out how the condo corporation governs itself and how the condo corporation operates (e.g., some of the requirements for electing directors).
    - The rules may govern what the owners and occupants can and cannot do in their specific condo community in certain circumstances (e.g., for safety reasons).

- **Status Certificates.** A status certificate is an important document for purchasers of resale condos containing information about a specific completed condo unit and the condo corporation to which it belongs. Any person can request a status certificate for a unit from a condo corporation. A condo corporation can charge up to $100 (including all applicable taxes) for the status certificate. The condo corporation must provide the status certificate within 10 days of receipt of the request and payment for it.

  Status certificates are particularly important for prospective buyers of resale units because they contain important information, such as:

    - A copy of the condo corporation's current declaration, by-laws, and rules.
    - A copy of the budget for the current fiscal year, the last annual audited financial statements and the auditor's report.
    - A statement of the most recent reserve fund study.
    - A statement of the common expenses for the unit and whether the unit is in arrears of payment.
    - If the common expenses for the unit have increased since the current year's budget was prepared, a statement of the increase and the reason.

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- If an assessment has been charged against the unit since the current year's budget was prepared, a statement of the assessment and the reason.
- The address for service for the condo corporation (e.g., the address where the condo corporation receives mail).
- The names and addresses for service for the directors and officers of the condo corporation.
- A certificate of insurance for each of the current insurance policies.
- Information about certain legal issues that may affect the condo corporation (e.g., whether there are outstanding legal judgments against the condo corporation, or if the condo corporation is involved in any ongoing litigation).

You can also access key information on any condo corporation in the province through the CAO's Public Registry. You may wish to consider speaking to a legal and/or real estate professional when considering purchasing a resale condo and before signing any documents.

1.4 Leasing Your Unit

Leasing out a condo unit is an option that many condo owners use at some point during their time as a condo owner, however, there are special considerations that you must keep in mind if you choose to lease out a condo unit. In Ontario, the *Residential Tenancies Act, 2006* outlines the rights and responsibilities of landlords and tenants who rent residential properties. The *Commercial Tenancies Act* applies to leasing commercial properties.

It is the responsibility of the unit owner to ensure that the renter abides by the condo corporation's declaration, by-laws, and rules. Additionally, a unit owner must, within 10 days of entering the lease or the renewal of the lease, provide the renter with these documents. Section 83 (1) of the Condo Act requires that an owner also notify the condo corporation that the unit has been leased within the same timeframe, and provide the renter's name, the unit owner's address and a copy of the lease or renewal or a summary of the lease or renewal. A form is available on the CAO's website which will allow you to easily communicate this information to a condo corporation.

If you plan on leasing your unit you must also be aware of restrictions that the condo corporation's governing documents may place on owners in relation to leases. For example, the condo corporation could have minimum terms for unit leases to prevent the units in the condo corporation from being used as short-term rentals.

Part 2: Moving into a Pre-Construction Condominium Unit

2.1 Interim Occupancy

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Interim occupancy occurs in pre-construction condo projects when the developer/builder lets the buyer take occupancy in the unit before the declaration has been registered and the title can be transferred to the buyer. During interim occupancy, you cannot make mortgage payments until the condo corporation is registered.

As your building nears completion, your developer/builder will advise you of your interim occupancy date. On the interim occupancy date, you can live in your unit, but it is important to note that you do not own it yet. Ownership of your unit can only be transferred to you once the condo corporation has been registered.

During the interim occupancy period, you will be required to pay the developer/builder an interim occupancy fee, regardless of whether you move into the unit or not.

The interim occupancy fee cannot be more than the total of:

- The interest (calculated monthly) on the unpaid balance of the purchase price at the prescribed interest rate;
- The estimated monthly municipal taxes for the unit; and,
- The projected common expense fees for the unit.

For additional information regarding interim occupancy, click here.

2.2 Creating the Condominium Corporation

Condominium Registration Process

Condo corporations are created when the developer registers the declaration and description with the Land Registry Office. Some registration requirements vary by the type of condo corporation being proposed (e.g., phased, common elements etc.).

The declaration and description are legal documents that contain fundamental information about the condo corporation and the property. The proposed or existing declaration must be included in the disclosure statement provided to you by your developer. You may wish to review this carefully.

The **declaration** will contain information such as:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The **description** defines the units and the common elements and specifies the boundaries between them. The description will contain information such as:

- A survey showing the boundaries of the property;

- Diagrams showing the shape and dimensions of each unit; and
- Specification of the boundaries of each unit and what is considered part of the common elements.

The Condo Act requires developers to take all reasonable steps to finish construction and register the condo corporation without delay.

More information about the declaration and description as well as your condo corporation's other governing documents can be found in section 3.3 of this Condo Guide, or by clicking here.

Declarant-controlled boards

*Please note that, for ease-of-understanding the Condo Guide uses the term "developer" throughout in place of the term "declarant", which is used in the Condominium Act, 1998. This section will use both as the term "declarant-controlled board" is used often in materials related to pre-construction and new condo projects.

Within ten days after the condo corporation has been registered, **the declarant (who is generally your developer/builder)** is required to appoint at least three individuals to make up the condo corporation's first board of directors. This first board is called the declarant-controlled board. The declarant-controlled board is responsible for carrying out all normal board duties until the declarant ceases to own a majority of the units in the condo corporation. For example, the declarant-controlled board may propose or make by-laws and rules. More information about condo boards and condo board duties can be found in section 3.2 of this Condo Guide.

Once the declarant ceases to own a majority of the units, the declarant-controlled board is required to call a meeting of the owners to elect a new board within 21 days. The meeting must then be held within 21 days of being called, meaning that the meeting must occur within 42 days of the declarant no longer owning a majority of the units. This meeting is called a turn-over meeting.

Turn-over Meetings

The turn-over meeting is an important meeting for the condo corporation because the turn-over meeting must cover two important items:

- The turn-over of important documents from the declarant (i.e. generally your developer or builder) to the condo corporation, and
- The election of the first owner-controlled condo board of directors.

The declarant is responsible for turning over important documents at the turn-over meeting such as:

- The condo corporation's minute book (a minute book is the primary record of a condo corporation's meetings);
- The condo corporation's declaration, by-laws, and rules;
- Agreements already entered into on the condo corporation's behalf;

The declarant must turn over other important information within 30 days of this turn-over meeting, such as:

- All financial records of the condo corporation and of the declarant for the condo corporation from the date of registration onwards;

- A copy of any reserve fund studies conducted to date (if any); and
- A copy of the most recent disclosure statement.

Within 60 days after the turn-over meeting, the declarant must also turn over audited financial statements.

Additionally, at the turn-over meeting, unit owners will vote for new board members. For certain requirements related to a turn-over meeting, see section 43 of the Condo Act.

First-Year Budget

According to section 72 of the Condo Act, the declarant (i.e. generally your developer or builder) is responsible for preparing, and including in the disclosure statement, the first-year budget (also referred to as the budget statement) which covers the one-year period immediately following the registration of the declaration and description. Information included in the first-year budget should include, among other things:

- The projected common expenses for the condo corporation;
- The particulars of the type, frequency, and level of services to be provided;
- The projected costs of the performance audit;
- The projected monthly common expense contribution for each type of unit;
- The projected cost of the first reserve fund study; and
- The costs of preparing the audited financial statements.

Overall, the first-year budget is meant to give you a good idea of the expenses you can expect to pay in addition to the cost of buying your unit.

Additionally, section 75 of the Condo Act requires that the declarant be accountable for the first-year budget. After receiving the audited financial statements for the period covered by the first-year budget, the board has 30 days to compare the actual expenses with the first-year budget prepared by the declarant. If there is a shortfall (i.e., there are less funds projected based on the first-year budget than the actual first year expenses), the declarant may be responsible for the shortfall.

2.3 Tarion and the Ontario New Home Warranties Plan Act

What is Tarion?

Tarion is an independent not-for-profit corporation with responsibility for administering the *Ontario New Home Warranties Plan Act*, including warranties and protections claims. Until early 2021, Tarion also serves the function of licensing new home builders and vendors.

For more information on Tarion, please visit their website by clicking here.

What is The Home Construction Regulatory Authority?

The Home Construction Regulatory Authority (HCRA) is an independent, not-for-profit corporation that is preparing to potentially be designated by the Ontario government as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If the HCRA is

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designated, Tarion would cease to regulate builders and vendors, subject to potential exceptions during transition. Tarion would remain responsible for warranty administration. At this time, it is expected that the future regulatory authority would be operational in early 2021.

For more information on the HCRA, please visit their website by clicking here.

New Home Warranties Plan Act and Coverage

Tarion's legal responsibilities and mandate come from the *Ontario New Home Warranties Plan Act*. In Ontario, all new residential condos are required to be enrolled in the Ontario new home warranty and protection program, administered by Tarion. If you purchase a new condo and there are warrantable defects (e.g., construction issues, unfinished work, etc.), you can report these to Tarion and your builder. If your builder does not fix the defects, Tarion may provide warranty assistance, if the item is warrantable. Be sure to visit the Tarion website for a breakdown of new home warranty and protection coverage and more information.

For more information about new home warranty coverage click here.

Information for purchasers of units in residential condominium conversions is available here.

The common elements of most condos are also covered by Tarion's warranties. If a common element requires warranty coverage, the condo corporation will address the issue (rather than any one individual owner). Section 44 of the Condo Act requires that between the six- and ten-month mark following the registration of the declaration, the board must appoint an engineer or architect to conduct a performance audit. This audit must be submitted to Tarion which will allow the corporation to make claims regarding issues with the common elements. If the corporation does not file in time, it will be impossible to make claims under the Tarion warranty program. It is common that the condo board directors appoint an individual to manage this process on behalf of the board.

To access more information on the common elements warranty process, please click here.

Pre-Delivery Inspection

A very important step for identifying potential issues or deficiencies is the pre-delivery inspection (PDI). A PDI is your chance to raise issues you notice with your new condo, such as incomplete construction, a damaged area, or an element of poor workmanship of the unit.

During the inspection, the builder of the condo will take you to inspect the new unit and may demonstrate the internal systems (such as air conditioning) of your unit. If you identify a defect during your PDI, your builder should note it on the PDI Form to establish that it existed prior to closing and thus was something not caused by you. It is your builder's responsibility to list these items and provide you with a copy of the completed PDI Form.

The PDI form is an important document, as it will be the official record of the state of your home before you move in, so keep your copy in a safe place. However, the PDI form is not an official warranty form and any items that are not corrected by the time you move in need to be listed on a 30-Day or Year-End Form.

Builder Registration/Licensing

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Under the *Ontario New Home Warranties Plan Act*, all new home builders and vendors must be registered with Tarion and enroll their homes in the Ontario new home warranty and protection program.

In early 2021, the Home Construction Regulatory Authority (HCRA) is expected to be designated as the new regulator for new home builders and vendors. As the regulator of new home builders and vendors upon designation, the HCRA would be responsible for receiving and responding to any licensing related inquiries or complaints regarding a builder or vendor. Tarion would remain responsible for any warranty-related inquiries or complaints.

Until early 2021, Tarion will maintain an Ontario Builder Directory of all new home builders and vendors. Buyers of new homes are encouraged to check the Ontario Builder Directory to ensure their builder or vendor is registered with Tarion.

In addition, the Ontario Builder Directory includes information about condominium projects retroactive to January 1, 2018, including cancelled condominium projects and the status of each condominium project (i.e., completed, in progress or cancelled).

If the HCRA is designated by the Ontario government as the new regulator for new home builders and vendors, the HCRA would become responsible for the Ontario Builder Directory once it is operational in early 2021.

Part 3: Condominium Living

3.1 Introduction to Condominium Living

Your Unit and Common Elements

In a condo corporation, as an owner, you typically own your individual unit and collectively share in the ownership of and expenses for the common elements.

Unlike units, common elements may not be for the exclusive use of a particular unit owner. Common elements may include parking garages, elevators, lobbies, and much more. They may also include structural elements like the walls between the units, doors, plumbing and electrical work.

Exclusive Use Common Elements

Certain common elements may be for the exclusive use of a particular condo owner. These are called exclusive-use common elements. An example of an exclusive-use common element may be the balcony of a unit. Although a condo owner might think of a balcony as part of their unit, it could be an exclusive-use common element.

Every condo corporation is unique in the breakdown between units and common elements. If you are unsure about what constitutes a common element in your condo corporation, you can refer to your condo declaration.

Rights and Obligations of Owners

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Condo owners in Ontario have rights and obligations that you should be aware of before purchasing a unit:

Rights

- Attending and voting at owners' meetings;
- Seeking election to the condo board, if qualified under the Condo Act;
- Reviewing certain records of the condo corporation, such as certain financial statements and meeting minutes;
- Requisitioning an owners' meeting in certain circumstances;
- Using the common elements and amenities of the condo corporation in accordance with the Condo Act and the condo corporation's declaration, by-laws, and rules; and
- Requesting that an item be added to an owners' meeting agenda.

Obligations

- Complying with the Condo Act and the condo corporation's declaration, by-laws, and rules;
- Repairing and maintaining your unit in accordance with and subject to the Condo Act and the condo corporation's declaration and by-laws;
- Paying your common expense fees on time;
- Notifying the condo corporation if your unit is leased; and
- Attending and voting at certain meetings.

Click here for more information on condo ownership.

3.2 Condominium Governance

Board of Directors and Board Responsibilities

The board of directors of a condo corporation that is turned over is an elected group of people that is responsible for governing the affairs of the condo corporation. The board of directors will ideally play a critical role in supporting a positive, healthy condo community and ensure that the condo corporation and its assets are well managed and maintained.

The board has certain responsibilities such as:

- Setting the condo corporation's annual budget;
- Making most decisions about how the condo corporation will spend its money, including selecting contractors or service providers your condo corporation will work with;
- Hiring and overseeing the work of a condo manager (should your condo corporation decide to get a condo manager);
- Ensuring required maintenance and repairs are carried out;
- Hiring specialists, such as engineers, to conduct reserve fund studies;
- Proposing changes to the condo corporation's rules and/or by-laws;
- Giving various notices to owners; and
- Making decisions related to the condo corporation's finances.

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A condo's board is usually made up of owners in the condo corporation (but can include non-owners depending on the provisions of the condo corporation's by-laws). Directors are elected by the owners and serve for defined terms. Directors must seek re-election when their term expires if they want to remain on the board.

Duties of Directors and Required Disclosures

Board directors are responsible under section 37 (1) of the Condo Act to exercise their power or carry out their duties for the condo corporation with a standard of care. This means directors have a duty under the Condo Act to:

- Act honestly and in good faith; and
- Exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

A condo corporation may also have a code of ethics outlined in a by-law. A code of ethics will govern matters such as conflicts of interest, confidentiality, and standards of behaviour at board meetings.

Individuals looking to become directors (i.e. candidates) must meet disclosure requirements listed under section 11.6 of Ontario Regulation 48/01 as well as any such requirements listed in the by-laws of the condo corporation. To qualify as a candidate an individual must disclose, among other things:

- Whether the candidate (or their spouse, child or parent) is party to a legal proceeding in which the condo is also a party;
- Whether the candidate has, directly or indirectly, an interest in a contract or transaction that the condo corporation is a party to;
- If the candidate is a unit owner with common expense fees in arrears for 60 days or more; and
- Whether the candidate has been convicted of an offence under the Condo Act or under the regulations within the preceding 10 years, a statement of that fact and a brief general description of the offence.

A director is immediately disqualified if they do not meet certain disclosure obligations. In addition, directors may be disqualified if they meet any of the criteria listed in section 29(2) of the Condo Act (e.g., they have the status of bankrupt).

More information regarding director disclosure obligations can be found on the CAO website here.

For a full list of disclosure obligations, please see 11.10 of Ontario Regulation 48/01.

Election Process

Aside from the developer-appointed directors, and instances where an individual is appointed to the board by the existing directors, directors are elected by the owners at a meeting, such as a turn-over meeting, an annual general meeting, a requisitioned meeting, or a meeting called specifically for elections due to loss of quorum. Directors usually serve for three-year terms, but this period may be shorter, depending on a condo corporation's by-laws. Once their term is over, they must seek re-election to continue to act as a board member.

Requirements for Being a Director

Before a candidate can become a director, there are a few requirements that must be met. The candidate must:

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- Be an individual;
- Be at least 18 years old;
- Not have a status of bankrupt;
- Not have been found incapable of managing property;
- Not have been found incapable by a court; and
- Meet the required disclosure obligations, as mentioned above**.**

Once an individual becomes a director, they can be immediately disqualified from their position if, for example:

- They are bankrupt;
- They have been found incapable of managing property or found incapable by a court;
- They have a certificate of lien registered against their unit that has not been discharged within 90 days;
- They failed to complete the mandatory director training within six months; or
- They failed to comply with mandatory disclosure obligations.

Note that different condo corporations may have additional requirements for directors. You may wish to check your condo corporation's by-laws for more information.

Director Training Requirements

All directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program provided by the Condominium Authority of Ontario (CAO) within six months of their appointment, election, or re-election, and at least once every seven years. Director training is provided for free and is easily accessible online on the CAO website.

Directors who fail to complete the training within the six-month timeframe are immediately disqualified from their board and cease to be a director.

Although director training is mandatory for directors, director training is not just for condo directors. It is available to any individual and contains plenty of useful information regarding condo living and condo governance.

If you wish to know more about director training, please click here for more information.

Meetings and Quorum

Condo meetings can be divided into two types: owners' meetings and board meetings. The Condo Act requires that a minimum number of participants be present at meetings, which is called "quorum". Without quorum, voting cannot take place, however discussion on relevant business is still permitted. Note that a corporation may also be able to make by-laws with respect to meetings, including with respect to quorum and voting. For owners' meetings, owners can either attend in person or by proxy. For more information on proxies, see **Voting by Proxy and Voting Method** below.

Owners' meetings are meetings in which all condo owners are invited to attend. The following are the most common types of owners' meetings:

- **Annual General Meetings** (AGM) are annual meetings where the board has the chance to report to owners on matters such as the financial health of the condo corporation. The AGM

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also gives owners the opportunity to discuss matters that are relevant to the business of the condo corporation. The following items may be on the agenda at an AGM:

- Approval of the minutes of the previous AGM;
- Review of year-end audited financial reports;
- Selection of the condo corporation's auditor for the next fiscal year;
- Report of the board of directors regarding matters like past performance;
- Major upcoming projects (e.g., repairs or renovations), potential by-law changes and ongoing issues; and
- Election of directors.

The standard quorum for an AGM is the owners of 25% of the units. If the quorum is not reached on the first two attempts to hold the AGM, the quorum is reduced to 15% on the third and on any subsequent attempts unless the by-laws specify otherwise.

- **Owner-Requisitioned Meetings** are meetings that the board is required to call at the request of the owners of the condo corporation. All owners can attend. Some examples of why owner-requisitioned meetings may be called include:
  - Voting on a proposed rule;
  - Discussion of an emerging issue (e.g., the behaviour of owners, residents, or guests); or
  - The removal and replacement of a director before the expiry of that director's term.

  Information related to requisitioning a meeting of owners can be found under section 46 of the Condo Act. Other sections also may be relevant.

  More information on requisitioning a meeting can be found here.

- **Board Meetings** are meetings attended by the condo board to manage the affairs of the condo corporation. The only people who are entitled to attend board meetings are the directors, however, condo boards may invite individuals to attend board meetings as guests. A condo's board of directors can only conduct condo related business at a board meeting. Before any condo business can be conducted, the board must make sure there is a quorum of directors attending the board meeting. For board meetings, quorum is a majority of the total number of positions on the board. For example, if there are 3 positions on the board, quorum would be 2 board members in attendance at the board meeting.

Voting by Proxy and Voting Method

At owners' meetings, votes may be held regarding condo business.

Unless the Condo Act provides otherwise, at a meeting, votes may be cast by:

- A show of hands, personally or by proxy
- A recorded vote that is:
  - Marked on a ballot cast personally or by a proxy;
  - Marked on an instrument appointing a proxy; or
  - Indicated by telephonic or electronic means if the by-laws so permit.

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If you are an owner who cannot attend a meeting but still want to participate in decision-making, you can enable somebody who will attend the meeting to vote for you. This individual is called a proxy (who need not be an owner in your condo corporation). You can appoint a proxy by completing a legal document called a proxy form and giving the form to the proxy. You can create only one proxy per unit. If you co-own your unit, the proxy represents all owners of the unit.

A form is available on the CAO website which gives instructions on how to use a proxy, and how a proxy can vote in a meeting.

Notices

A condo corporation must provide various notices to owners to make owners aware of upcoming owners meetings. There are a variety of notices required under the Condo Act, such as:

- **Preliminary Notice of Meeting:** The Preliminary Notice of Meeting must be delivered to owners at least 20 days before a Notice of Meeting. The Preliminary Notice will, among other things, let owners know that a Notice of Meeting will be sent, state the purpose of the meeting, and, if applicable, request that individuals interested in being candidates for director positions notify the board in writing.

  More information about a Preliminary Notice of Meeting can be found by clicking here.

- **Notice of Meeting:** The Notice of Meeting must be delivered to owners in writing at least 15 days prior to the day of the meeting. A Notice of Meeting of owners will include the date, time, and place of the meeting. It must also identify the business to be discussed, among other things. No vote can take place on an item, other than routine procedure, that was not disclosed in the Notice of the Meeting.
    - If an owner wishes to receive notices electronically, they must provide an Agreement to Receive Notices Electronically form, and the condo corporation must have a statement of this method of receiving notices in the record of owners and mortgagees (unless the Condo Act provides otherwise).

  More information about the Notice of Meeting can be found on the CAO website here.

Information Certificates

Information Certificates help ensure that condo owners receive important information about the state of the condo corporation throughout the year. Information certificates can be broken down into three types:

- **Periodic Information Certificate (PIC)**. Sent out twice per fiscal year to all owners (within 60 days of the end of the first quarter and 60 days of the end of the third quarter). Includes key information about the condo's board, finances, insurance, reserve fund, legal proceedings, and other matters.
- **Information Certificate Update (ICU)**. Sent to owners if there are certain key changes before the next scheduled PIC (such as changes in the directors or officers of the condo corporation). To be distributed within 30 days of the change.

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- **New Owner Information Certificate (NOIC)**. Sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation. A NOIC covers the most recent PIC and any subsequent ICUs.

Condo corporations may be able to pass by-laws related to PICs and ICUs.

More information on Information Certificates can be found on the CAO website here.

Records Requirements and Process to Request or Examine Records

As a condo owner, you have the right to access certain records regarding how the condo corporation is managed. It is the condo board's duty to ensure that adequate records are kept and that they are retained for the legally required amount of time. If an owner wants to access certain records, they must use a Request for Records form. In their request, they can specify whether they wish to review records or request copies of records and they can indicate whether they would like electronic or paper copies.

As an owner, you may have the right to access:

- Your condo corporation's declaration, by-laws, and rules;
- The financial records of your condo corporation;
- The minute book containing the minutes of owners' meetings and the minutes of board meetings;
- A copy of the returns or notices of change that the condo corporation has filed with the CAO;
- All lists, items, records, and other documents from your condo corporation's turn-over meeting;
- A list of the names of the owners of each unit in the condo corporation and their address for service;
- All reserve fund studies and all plans to fund the reserve fund;
- All agreements entered by or on behalf of the condo corporation;
- All instruments appointing a proxy or ballots for a meeting of owners that are submitted at the meeting; and
- Other records as specified under the Condo Act, including in its regulations, or your condo corporation's by-laws.

More information about records can be found on the CAO website here.

3.3 Condominium Corporation Governing Documents

In addition to complying with all applicable requirements under the Condo Act, all owners, residents, employees of the condo corporation, guests and others must comply with the condo corporation's governing documents. It is very important that you read and understand a condo corporation's governing documents before purchasing a unit. If you are unfamiliar with the requirements set out in

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your governing documents, you may unknowingly cause issues, requiring the condo corporation to respond to enforce the provisions found in these documents. The governing documents include:

1. The Declaration;
2. By-laws; and
3. Rules.

The governing documents must be consistent with the Condo Act.

1. The **Declaration** is one of the foundational documents of the condo corporation. The declaration is often considered the constitution of the condo corporation and contains many important provisions. It will include:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The declaration may be changed with the consent of at least 80% or 90% of voting units depending on what the change is.

2. **By-Laws** describe how the condo corporation is to govern itself. The by-laws can be considered the administrative guide for the condo corporation. A condo corporation's by-laws often deal with a wide range of matters. For example, by-laws may govern:

- How directors are elected;
- How common expenses are collected; and
- When/how the condo corporation can borrow money.

By-laws must be both reasonable and consistent with the declaration, as well as the Condo Act. By-laws must be approved by the owners of a majority of the units, except where the Condo Act provides otherwise, and registered with the Land Registry Office.

3. **Rules** regulate the use of the units or common elements or assets in a condo corporation. The condo rules will dictate what individuals on the condo property can and cannot do. Rules must be reasonable and consistent with the declaration and by-laws, in addition to the Condo Act. Rules must either: promote the safety, security or welfare of the owners, property, or assets of the condo corporation; or prevent unreasonable interference with the use and enjoyment of units, common elements or assets. Examples may include:

- Restricting smoking, vaping and/or the growing of cannabis;
- Restricting short-term rentals; or
- Limiting the number or size of pets allowed in the building.

Upon making, amending or repealing a rule, the board shall give a notice of it to the owners that includes:

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- A copy of the rule;
- A statement of the date that the board proposed the rule will become effective;
- A statement which says that the owners have a right to requisition a meeting; and
- A copy of sections 46 and 58 of the Condo Act.

Owners who disagree with the rule may be able to requisition an owners' meeting regarding the rule and then have a vote during the meeting to prevent the changes to a rule(s) from being passed. If the owners do not requisition a meeting, the rule becomes effective the day after 30 days have passed since the board gave the owners notice of the rule. For more information on owner requisitioned meetings, please see section 3.2 of this Condo Guide.

More information about the declaration, by-laws, and rules can be found on the CAO website here.

3.4 Condominium Finances

Reserve Funds

A **reserve fund** is a fund that condo corporations use for major repair or replacement of common elements and assets as needed. The Condo Act requires that all condo corporations have a reserve fund. Adequate reserve funds and proper use of those funds are critical to maintaining the structural integrity of the condo corporation’s property. Reserve funds may only be used for major repairs and replacements of the common elements and assets of the condo corporation. Condo corporations must collect contributions to the reserve fund from owners as part of their common expense fees. Condo corporations must complete reserve fund studies. Reserve fund studies are completed by certain specialists (e.g., engineers) and determine how much money needs to be in the fund to be able to pay for anticipated major repairs/replacements that will be needed in the future. Generally, after the first reserve fund study, reserve fund studies are completed/updated every three years.

More information about reserve funds and reserve fund studies can be found on the CAO website.

Common Expenses

Common expenses, which are typically described in the Condo Guide as “common expense fees” (also commonly known as condo fees or maintenance fees) are collected by the condo corporation under the Condo Act. In addition to including a contribution to the reserve fund as described above, common expense fees may be used to fund:

- The cost of maintenance to the common elements (e.g., standard elevator repairs, cleaning).
- The cost of your condo manager or management service provider.
- The condo corporation’s insurance policies.
- Services, such as garbage or snow removal, landscaping, security etc.

As an owner, you are required under section 84 (1) the Condo Act to pay your share of common expense fees attributed to your unit. As per section 84 (3) of the Condo Act, you are obligated to pay your common expense fees even if:

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- You have waived or abandoned your right to use the common element(s);
- You have made a claim against the condo corporation; or
- The condo corporation's declaration, by-laws or rules restrict you from using the common element(s).

How are Common Expense Fees Calculated?

Condo boards make a budget every year which outlines various expenses for the fiscal year that are to be paid by the owners. The condo corporation's declaration will state the portion of the common expenses each owner is required to contribute, expressed as a percentage. The percentage may, but need not, relate to the size of your unit. The amount of common expenses you are required to contribute may fluctuate (e.g., increase) for various reasons (e.g., as the needs of the condo corporation change).

Section 56 (1) of the Condo Act also permits condo corporations to pass by-laws governing the assessment and collection of common expense fees.

Liens

If you as an owner default on your obligation to pay common expense fees, your condo corporation automatically has a lien on your unit. The lien will cover the unpaid amount owing as well as all interest, and all reasonable legal costs and expenses incurred by the condo corporation in its attempt to collect.

The condo corporation has three months from when the default occurred to register a certificate of lien, otherwise the lien will expire after three months of the default. At least ten days' notice is required to be provided to owners before the certificate of lien can be registered on title. Condo liens have priority over every other liability, including mortgages, subject to some exceptions, and may be enforced in the same manner as a mortgage.

Special Assessments

As described above, your condo corporation will create a budget for every fiscal year. Should there be a budget shortfall (i.e., where expenses exceed revenues), your condo corporation may levy a special assessment to cover expenses. A special assessment is an extra one-time charge added to your common expense fees.

Your board may need to levy a special assessment for unforeseen major expenses such as repairs related to flooding, costs related to legal proceedings, etc. Your condo corporation's by-laws may include provisions about special assessments.

Under section 84 of the Condo Act, you are required to pay your unit's share of the common expense fees, which may include special assessment fees. Your portion is calculated using the same percentage used to calculate your regular common expense fees.

More information about special assessments can be found on the CAO website here.

Chargebacks

A chargeback is an addition to an owner's common expense fees to reimburse the condo corporation for a cost it incurred. This is to ensure that certain expenses or costs incurred are not levied to all

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owners, particularly where they are not all responsible for the circumstances leading to the expense or cost.

Some chargebacks are specifically authorized by the Condo Act. For example, section 92 (4) of the Condo Act allows condo corporations to add repair costs to a unit's common expenses fees, where repairs were completed on an owner's behalf after they failed to complete them within a reasonable time. Condo corporations may also have provisions within their declaration that require owners to indemnify the condo corporation for certain costs, called an indemnification clause.

If an owner does not pay the chargeback, a lien will automatically be placed on the defaulting unit, just as would occur if the owner does not pay their regular common expenses on time. If the condo corporation registers a certificate of lien and the owner does not pay the lien in full (this is known as discharging the lien), the condo corporation has the ability to attempt to have the unit sold to cover the costs.

Condo Insurance

Under the Condo Act, condo corporations are required to obtain and maintain both property insurance and liability insurance.

- **Liability Insurance:** Under section 102 the Condo Act, condo corporations are required to obtain and maintain insurance against the liability resulting from a breach of duty as the occupier of the condo corporation's common elements or certain land as well as insurance against liability arising from the ownership and use of boilers, machinery, pressure vessels and motor vehicles.
- **Property Insurance:** Section 99 (1) of the Condo Act requires condo corporations to obtain and maintain insurance for damage to the units and common elements that is caused by certain major perils, including fire, smoke, lightning, windstorm, hail, or any other peril specified in the condo corporation's declaration or by-laws.

Standard Unit

A condo corporation's obligation to insure the units does not cover "improvements" made to units. Section 99 of the Condo Act states a condo corporation's obligation to insure against damage to units from major or other perils only includes what is called a "standard unit".

What constitutes a standard unit in your condo corporation is important as it not only outlines responsibility for property insurance coverage but also partly determines what the condo corporation or the condo owner is responsible for when dealing with repairs after damage.

For more information on where to find your condo corporation's definition of a standard unit, see section 3.5 of this Condo Guide - Living in Units and Using Common Elements.

Deductibles

According to section 105 (1) of the Condo Act, if an insurance policy obtained by the condo corporation has a deductible clause that limits the amount payable by the insurer, the condo corporation is responsible for paying the portion of a loss that is excluded from coverage, and that amount must be included in the common expenses.

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A single owner may be responsible for paying a deductible if a claim to the condo corporation's insurer arose due to the owner's (among others) action or inaction. In this case, the lesser of the deductible limit or the actual cost of the repairs must be charged back to that owner's unit. For more information on chargebacks, please see section 3.4 of this Condo Guide.

Your condo corporation may also have an insurance deductible by-law that would extend the circumstances in which an owner would be responsible for paying for a property insurance deductible. Common examples of extended circumstances could include:

- Where the owner, occupant, or guest of the unit, through an act or negligence causes the insured damage; and/or
- Where the insured damage is caused by accident (i.e., where no one is at fault).

3.5 Living in Units and Using Common Elements

Units vs. the Common Elements

For a description of what a common element is and what an exclusive use common element is, please refer to section 3.1 of this Condo Guide. As noted in section 3.1, common elements are elements which may not be for the exclusive use of a particular unit owner.

In a condo corporation, typically owners own their individual unit(s) and collectively share ownership of and expenses for the common elements (e.g. roof, hallways, elevators, pool).

What is considered part of a "unit" and what is considered part of the "common elements" will be outlined in the condo corporation's declaration and description. Schedule C of the declaration contains this information for most types of condo corporations, and more, as explained below. In addition, the Condo Act includes information about what is a unit vs. a common element. The term "common elements" generally means all the property except the units.

Understanding the breakdown between a unit and the common elements is important when considering repair and maintenance obligations, condo insurance, and making changes to your unit.

Repair and Maintenance Obligations

Section 89 (2) of the Condo Act requires that, subject to the Condo Act and a condo corporation's declaration:

- Condo corporations are responsible for repairing damage to both the common elements and units. This obligation to repair does not include any improvements made to units.

- Unit owners are responsible for maintaining their units (i.e., upkeep and repairing after normal wear and tear) and condo corporations are responsible for maintaining the common elements (e.g., parking, gardens, hallways, elevators, amenities, etc.).

The following documents, together with the Condo Act, are notable when it comes to figuring out repair and maintenance responsibilities:

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1. Schedule C. Schedule C (within your condo corporation's declaration) typically will outline unit boundaries and therefore clarify repair and maintenance responsibilities, especially in unclear areas (e.g., plumbing, electrical, areas behind drywall, etc.).

2. Standard unit by-law. A standard unit by-law or, if none, a schedule provided by the developer, will detail which components of a unit are the "standard unit" and therefore the responsibility of the condo corporation to repair.

Also, section 91 of the Condo Act allows condo corporations to alter these repair and maintenance obligations in their declaration. This means that when determining who is responsible for repairs or maintenance it is necessary to review your condo corporation's declaration. Note, there are some different repair and maintenance requirements under the Condo Act for different types of condo corporations (e.g., vacant land condo corporations).

Making Changes to Your Unit

A condo corporation's declaration, by-laws, and rules may contain rules about making modifications to your unit or common elements (such as requiring notice to the board, restrictions on design, décor, materials to be used, restriction on days or times when renovations are permitted, etc.). You may wish to review these requirements, as well as applicable requirements under the Condo Act, before considering changes to your unit.

Modifications to the Common Elements by Owners

Changes to the common elements (e.g., exterior walls) by owners generally will require board approval. Section 98 of the Condo Act states that an agreement (often referred to as a section 98 agreement) must be entered into between the condo corporation and the owner specifying, for example:

- The allocation of cost of the proposed modification between the owner and the condo corporation; and
- The respective duties and responsibilities of the owner and condo corporation for the costs of repairs after damage, maintenance, and insurance of the modification.

The board may approve a proposed modification, and there will be no requirement to provide notice to other owners if the modification is to an exclusive use common element, and the board is satisfied that the modification will not:

- Have an adverse effect on units owned by other owners;
- Give rise to any expense to the corporation;
- Negatively impact the appearance of buildings on the property;
- Affect the structural integrity of buildings; or
- Contravene the declaration or any prescribed requirements.

Right of Entry

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Section 19 of the Condo Act provides condo corporations, or a person authorized by the condo corporation, the right to enter units to perform the objects and duties or to exercise the powers of the condo corporation. They can only do so after providing reasonable notice to the owner of the unit.

Examples of when condo corporations may typically seek to enter units include:

- To perform maintenance and repairs to the common elements;
- To perform routine inspections on things such as smoke detectors; and
- To ensure compliance with the Condo Act and the condo corporation's declaration, by-laws, and rules.

Your condo corporation will also have the right to enter units in the case of an emergency, such as a fire or water leak, without any reasonable notice.

3.6 Condominium Management

Condo corporations, while not required to, may decide to hire a condo manager or a condo management company to oversee the condo corporation's day-to-day operations. Condo managers act on behalf of the condo corporation and are directed by the board of directors. A condo manager's range of responsibilities may include:

- Creating and maintaining records for the condo corporation;
- Responding to owner complaints;
- Coordinating the maintenance and repair of the property;
- Hiring and monitoring the performance of service providers;
- Preparing draft annual budgets and monitoring the reserve fund;
- Issuing meeting notices; and
- Organizing board meetings and overseeing administration of all owners' meetings.

Under section 17.0.1 of the Condo Act, condo corporations cannot enter into agreements with a condo manager or management company unless they are licensed through the Condominium Management Authority of Ontario (CMRAO). For more information about the CMRAO, see section 4.2 of this Condo Guide.

For more information on the CMRAO, you can visit their website by clicking here.

Part 4: Resources for Issues Resolution

4.1 Raising Issues with your Condominium Board

Occasionally, issues can arise with condo living. There are several options that may be available to condo owners who have concerns with their board of directors or condo corporation generally. Before raising any issues, you may wish to consult the governing documents of your condo corporation as

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some condo corporations may have specific protocols for raising issues. When raising issues, you may wish to consider the following:

1. **Writing a Letter to the Board**

   You may wish to contact your board to request formal consideration of your concern if you are experiencing a condo-related issue that you wish to raise with the board. Within the letter or email it is helpful to provide as much detail as possible about the issue.

   The CAO also has email and letter templates for writing to your board, available on the CAO website by clicking here.

2. **Requisitioning a Meeting of Owners**

   Owners may be able to requisition a meeting to discuss certain issues. For example, owners may be able to requisition a meeting to discuss:

   - The removal and replacement of a director before the expiry of that director's term;
   - A proposed new rule or change or repeal of an existing rule; and
   - The discussion of any emerging issue (e.g., a board decision).

   For more information on meetings in general, see section 3.2 of this Condo Guide.

   For more information regarding the requisitioning of meetings, please click here.

3. **Raising Issues at an AGM**

   An AGM provides another opportunity to bring up issues regarding the condo corporation and condo business to the board and other owners. Owners may be able to raise their concerns at their AGM. Section 45(3) of the Condo Act states that owners may raise any matters for discussion in the AGM, as long as they are relevant to the affairs and business of the condo corporation.

4. **Seeking Legal Advice**

   If a particular issue cannot be resolved through any of the above options, you may wish to consider seeking legal advice.

   If you require legal advice, you may wish to contact a lawyer or paralegal familiar with condo law. The names of lawyers or paralegals may be obtained from the Law Society of Ontario Referral Service. They may provide a free consultation of up to 30 minutes.

Additionally, you may wish to consider reviewing the CAO's Issues and Solutions page for additional information on common issues associated condo living.

4.2 The Condominium Authority of Ontario

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The CAO is a not-for-profit organization designated by the Ontario government to administer delegated provisions of the Condo Act and its regulations. The CAO's role is to support condo living by providing services and resources for condo communities and the general public. These include:

- Offering information about condo living to condo owners, residents, and other members of the public;
- Administering mandatory training for condo directors;
- Hosting and providing access to several mandatory and optional condo forms;
- Maintaining the CAO's Public Registry, which contains and displays information filed with the CAO through returns and notices of change; and
- Overseeing an online dispute resolution forum - the Condominium Authority Tribunal (CAT).

The CAT is an online tribunal that is authorized to resolve certain disputes primarily between condo corporations and owners. Part I.2 of the Condo Act and related regulations, including Ontario Regulation 179/17, set out certain provisions related to the CAT's jurisdiction.

Currently, the CAT resolves certain disputes relating to:

- the retention of and access to condo records.
- condo corporation governing document provisions about:
    - vehicles;
    - pets or other animals;
    - parking and storage; and
    - indemnification or compensation of the condo corporation, owner or mortgagee related to the above-noted governing document disputes.

For more regarding the CAT, its function, and its jurisdiction, click here.

4.3 Condominium Management Regulatory Authority of Ontario

The Condominium Management Regulatory Authority of Ontario (CMRAO) is a not-for-profit corporation that is responsible for administering provisions under the Condominium Management Services Act, 2015 (CMSA), including by licensing condo managers and management providers. The CMRAO:

- Ensures that condo managers and condo management companies are licensed, meet education standards, and comply with a code of ethics, among other requirements.
- Maintains a list of licensed condo managers and condo management providers.
- Promotes awareness of the condo management regulatory system and enforces compliance with the CMSA.

Handling Complaints

If you think your condo's manager or management service provider is in violation of the CMSA you can submit a complaint to the CMRAO. If the registrar of the CMRAO receives a complaint about a licensee, the registrar may do any of the following, as appropriate:

- Attempt to mediate or resolve the complaint;

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- Give the licensee a written warning;
- Require the taking of further educational courses;
- Refer the matter, in whole or in part, to the discipline committee;
- Propose to suspend, revoke, or add conditions to a licence;
- Propose to refuse to renew a licence; or,
- Take further action as is appropriate in accordance with the CMSA.

More information about making a complaint can be found on the CMRAO's website here.

4.4 Compliance and Enforcement Mechanisms

Responsibility to Comply with the Condo Act

Section 119 of the Condo Act provides that the condo corporation, owners, directors, officers, employees, mortgagees, developer and occupants are all required to comply with the Condo Act as well as the condo corporation's declaration, by-laws, and rules.

Section 17 (3) of the Condo Act provides that condo corporations have a duty to take all reasonable steps to ensure that owners, occupiers, lessees, agents and employees of a condo corporation comply with the Condo Act, the declaration, the by-laws and the rules. Additionally, section 119 (2) of the Condo Act provides that owners are obliged to take all reasonable steps to ensure occupants and visitors of their unit also comply with the Condo Act, the declaration, the by-laws, and the rules.

Mediation, Arbitration, and Compliance Orders

Under section 132 of the Condo Act, certain disputes must be resolved through mediation or arbitration. Condo corporations may also have provisions in their declaration or by-laws establishing a procedure for resolving certain disputes and compliance.

To resolve certain disputes between an owner and the condo corporation, the first step would be mediation, and then arbitration, if required.

As per section 134 of the Condo Act, certain compliance disputes may be resolved through an application to the Superior Court of Justice, including if the mediation and arbitration process has failed to solve the issue. Condo corporations, owners, occupants of a proposed unit, and developers are all entitled to apply as set out in that section; however, it is recommended to talk to a lawyer or paralegal if considering any legal action.

Please note that sections 132 and 134 of the Condo Act do not apply to disputes that may be brought to the CAT.

Offences Under the Condo Act

Sections 136.1 and 137 of the Condo Act set out provincial offences under the Condo Act that the Ministry of Government and Consumer Services (Ministry) administers. If you have information about conduct you believe may constitute an offence under section 136.1 or section 137 of the Condo Act, you may provide that information to the Ministry.

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You can file the information by clicking here.

The Ministry will review the information and determine if compliance or enforcement action would be appropriate. Please note that not every complaint will lead to compliance or enforcement action.

Section 136.2 of the Condo Act sets out provincial offences under the Condo Act which are administered by the CAO. If you have information about conduct that you believe may constitute an offence under section 136.2 of the Condo Act, you may provide that information to the CAO.

Part 5: Glossary of Key Terms

Addendum: The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to.

Agreement of Purchase and Sale: The Agreement of Purchase and Sale contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations as seller (as applicable), the unit, and the condo construction project.

Annual General Meeting: Annual owners' meeting where the board of directors presents to the owners on the financial health of the condo corporation and other business.

Board Meetings: Meetings attended by board members to manage the affairs of the condo corporation.

By-laws: By-laws are part of the condo corporation governing documents. By-laws govern how a condo corporation operates. By-laws can cover topics such as: the size of your condo board, the process for electing directors, and the format of board meetings. By-laws must be consistent with the declaration and the Condo Act as well as reasonable.

Chargebacks: Charges that are added to the amount of a unit owner's common expense fees. This may happen, for example, due to a condo corporation handling an owner's maintenance obligations or where a condo corporation incurs certain court costs in a legal proceeding against an owner to enforce compliance.

Common Elements: All condo property except units.

Common Elements Condominium: A condo corporation that creates common elements but does not divide the land into units. Owners purchase land tied to part of a common element condo corporation in which they also have an ownership interest (such as a shared road, ski hill or golf course) and pay common expense fees.

Common Expense Fees: The amount of money that an owner contributes in the proportions specified in the declaration. These go towards paying expenses (operating and reserve), including for, among other things, the maintenance and upkeep of the condo corporation's common elements.

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Condo Corporation: A legal entity that comes into existence when a declaration and description are registered with the Land Registry Office. All units and common elements are part of a condominium corporation, and condominium corporations are governed by boards of directors on behalf of owners.

Condo Manager: An individual licensed by the Condominium Management Regulatory Authority of Ontario who is hired by a condo corporation to oversee a condo corporation's day-to-day operations. Condo managers are accountable to the board of directors of the condo corporation.

Condominium Act, 1998 (Condo Act): The Condo Act provides a legal framework that enables condo owners and their elected board of directors to make decisions about the governance of a condo corporation.

Condominium Authority Tribunal (CAT): an online tribunal administered by the Condominium Authority of Ontario that is authorized to resolve certain disputes primarily between condo corporations and owners.

Condominium Management Services Act (CMSA): The CMSA provides a framework for regulating condo managers and condo management providers and requires that they be licensed to provide condo management services in Ontario.

Cooling Off Period: Ten-day period within which buyers of pre-construction condos have the right to rescind, or cancel, a purchase agreement they have signed, for any reason whatsoever. Begins on the later of the date the buyer received the disclosure statement, a copy of this Condo Guide, and the copy of the agreement of purchase and sale.

Declarant: The owner of the land where the condo corporation is being established. *Note that, for ease-of-understanding, the Condo Guide sometimes uses the term "developer" in many places in place of the term "declarant", which is used in the Condominium Act, 1998. The Ontario New Home Warranties Plan Act also uses the terms "vendor" and "builder".

Declaration: Governing document that contains important information about the condo corporation, such as the percentage that the unit owner must contribute to the common expenses and a breakdown of the responsibilities for repairing and maintaining the units and common elements.

Description: The description defines the units and the common elements and specifies the boundaries between them.

Declarant-Controlled Board: A condo corporation board including directors appointed by the declarant (i.e. the developer).

Delayed Occupancy: When a unit buyer is unable to take possession of the new residential unit by the firm or outside occupancy dates contained in the Addendum to a purchase agreement.

Director / Board of Directors: The individuals who are appointed or elected to manage the affairs of the condo corporation. Directors are responsible for making important decisions and serve for terms of up to three years.

Director Training: Training program provided by the Condominium Authority of Ontario. All condo directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program within six months of their appointment, election, or re-election. Directors do not have to take the training if they have completed the program within the previous seven years.

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Disclosure Statement: A document that your declarant must provide when you purchase your unit from them or someone benefiting them, and which includes important information about your unit and the condo corporation (proposed or registered).

Exclusive Use Common Elements: Are common elements that specific unit owners/occupiers have exclusive use of (e.g., a balcony connected directly to a single unit).

Governing Documents: A condo corporation's declaration, by-laws, and rules.

Information Certificates: Information Certificates help to ensure that owners receive ongoing information about their condo corporation throughout the year. There are three types: Periodic Information Certificates, Information Certificate Updates, New Owner Information Certificates.

Information Certificate Updates: are information certificates which include information on certain key changes before the next scheduled Periodic Information Certificate (such as changes in the directors or officers of the condo corporation). These are to be distributed within 30 days of the change.

Interim Occupancy: When a buyer takes occupancy of their unit before the condo corporation has been registered with the Land Registry Office, and before ownership is transferred to the buyer. The duration of the interim occupancy is called the interim occupancy period, and during that period the buyer is required to pay occupancy fees.

Interim Occupancy Fee: The amount that a buyer is required to pay the declarant during the interim occupancy period.

Interim Occupancy Period: The period from your interim occupancy date to the date ownership is transferred to you.

New Owner Information Certificates: Information certificates which are sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation.

Notices: Notices are documents containing information that an individual is entitled to receive as a unit owner. Notices will be delivered to you in either hardcopy or digitally (if the condo corporation and owner agree to electronic delivery or if that is otherwise permitted).

Owners' Meetings: Meetings which all owners are invited to. Includes annual general meetings, owner-requisitioned meetings, turn-over meetings, and meetings called by the board regarding the transaction of any condo business.

Owner-Requisitioned Meetings: Meetings requested by the owners to discuss/vote on a specific topic, such as the removal of a director or voting on a rule proposed by the board of directors.

Periodic Information Certificates: Information certificates which focus on the condo corporation's board, finances, insurance, reserve fund, legal proceedings, and other matters.

Phased Condominium: A condominium that is built and registered in phases. Once the construction is complete, it becomes a standard condominium.

Quorum: The law requires that a minimum number of owners be present (either in person or by proxy) at a meeting. Without quorum, voting cannot take place, however discussion on relevant business is still permitted.

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Reserve Fund: A fund condo corporations save and use to handle the larger financial burdens, for major repair or replacements of common elements and assets as needed.

Reserve Fund Study: Determines how much money needs to be in the reserve fund to ensure the major repairs/replacements can be paid for in the future. The reserve fund study must be prepared by a specialist, like an engineer. The board of directors approves the study, then informs owners of the results of the study.

Rules: Rules are part of the condo corporation's governing documents. Rules exist for the protection of those living in the condo corporation as well as the protection of the assets of the condo corporation itself, and to prevent unreasonable interference with the use and enjoyment of the units, common elements, and assets of the condo corporation. Rules must be consistent with the Condo Act and the declaration and by-laws of the condo corporation as well as reasonable.

Special Assessment: An extra one-time charge added on top of an owner's common expense fees.

Standard Condominium: The most common type of condo corporation in Ontario, where the condo corporation is made up of units and common elements.

Statement of Critical Dates: The Statement of Critical Dates can be found in the Addendum to your purchase agreement. The Statement contains the dates you can expect to take occupancy of your unit, as well as other important information.

Status Certificate: A document that anyone can request from a condo corporation and which contains important information about the unit and condo corporation.

Turn-Over Meeting: The meeting held by the declarant-controlled board within 42 days of the declarant ceasing to own a majority of the units. At this meeting, the owners will elect a new board and the declarant-controlled board will turn over several items to the new owner-elected board.

Vacant Land Condominium: A type of condo corporation in which the units may be vacant lots at the time of purchase, and the condo corporation may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.

Initials of Purchaser(s)

DS GL

Appendix “D3”

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AURORA MILLS
BUSINESS PARK

Block 5, Units I8 & I9

AGREEMENT OF PURCHASE AND SALE

1.01 **Agreement to Purchase**

The undersigned 2870593 Ontario Inc. (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being Block 5, Unit numbers I8 & I9, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of [redacted] thirty (30) days after the date of the Purchaser's execution of this Agreement, which sum, equals 5 % of the Purchase Price;

(c) the sum of [redacted] sixty (60) days after the date of the Purchaser's execution of this Agreement, which sum, equals 5% of the Purchase Price;

(d) the sum of [redacted] by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5% of the Purchase Price; and

(e) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be _____ (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: Industrial (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

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DATED at Markham, this 2 day of Feb, 2022. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

2870593 Ontario Inc.

Per: _____

Name: CHEN, ZHU NIAN
Title: Director

Per: _____

Name:
Title:
I/We have the authority to bind the corporation

Purchasers' Address:
51 Abbotsford Road,
Gormley, Ontario,
L0H 1G0

2352107 Ontario Inc.

DocuSigned by:

Per: _____
96445806EC6E4CC...

Name: Paolo Abate
Title: ASO
I have authority to bind the Corporation.

Purchaser's Telephone Numbers:

Home: ~~(647-8407-3618)~~ (647) 407-3618

Business: (_____)

Fax:

E-mail: sushispring@gmail.com

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: Aaron M. English
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

Purchasers' Solicitor:

Name: _____

Address: _____

Tel: _____ Fax: _____

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AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.

Demising Walls:

- 6 Inch concrete block walls from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 25 feet, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Steel exit door with metal frames and vendor standard hardware.
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code. Concrete topper throughout mezzanine area.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

Warehouse Area:

- Heating will be provided by a gas forced air hanging unit, suitable for size of warehouse area as determined by Vendor engineers and consultants.

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Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

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AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

THE UNDERSIGNED, being the Purchaser of the Unit described as Block 5, Units I8 & I9, (the "**Unit**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated January 7th, 2022 and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

DATED at Markham, this 2 day of Feb, 2022.

Company Name 2870593 Ontario Inc

Per: _____
Name: CHEN, ZHU NUAN
Title: Director

Per: _____
Name:
Title:
I/We have the authority to bind the corporation

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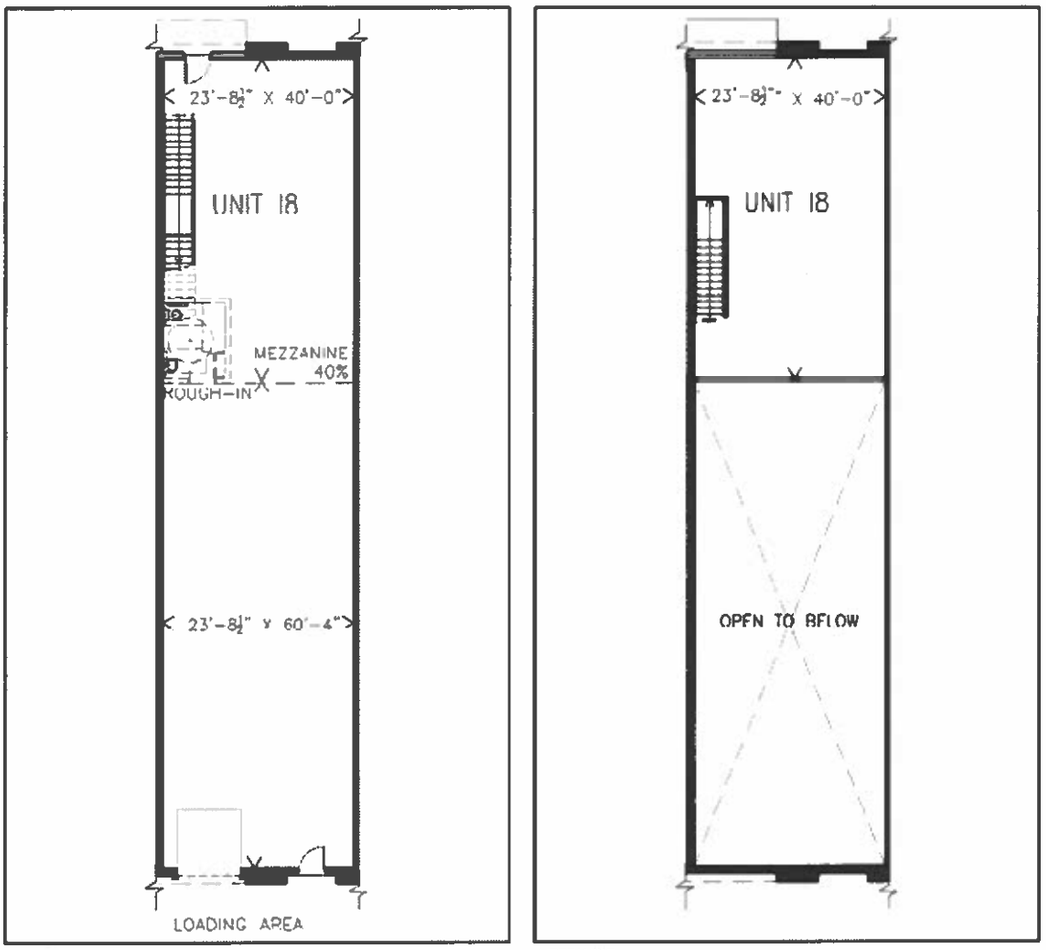
AURORA MILLS
BUSINESS PARK

SCHEDULE "D"
TO AGREEMENT OF PURCHASE AND SALE

Floor Plan – Block 5, Unit 18



GROUND FLOOR

MEZZANINE

BUILDING "I" – BLOCK 5
UNIT 18
3,605.811 SQ.FT.

HAVEN
DEVELOPMENTS

PURCHASER SIGNATURE:

PURCHASER SIGNATURE:

VENDOR SIGNATURE:

DocuSigned by:
96445806EC6E4CC...

DATE: 2/3/2022

All dimensions, specifications, drawings, and illustrations are approximate and are subject to change without notice. Location of structural or building perimeter walls, actual square footage may vary from that stated herein. E. & O.E.

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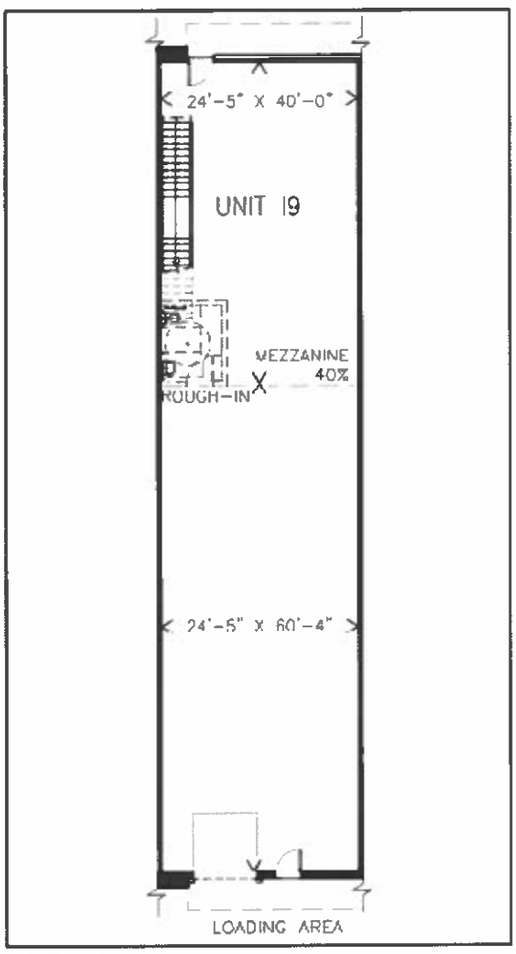
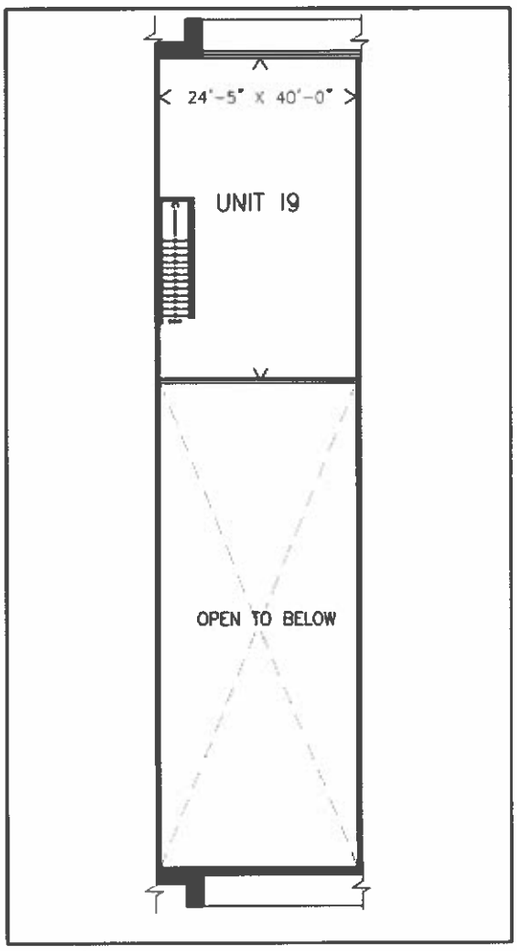
Floor Plan – Block 5, Unit I9

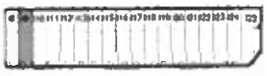


GROUND FLOOR



MEZZANINE

BUILDING "I" – BLOCK 5
UNIT I9
3,594.315 SQ.FT.



HAVEN
DEVELOPMENTS

PURCHASER SIGNATURE: ch

PURCHASER SIGNATURE:

VENDOR SIGNATURE: DocuSigned by: 96445806FC6E4CC...

DATE: 2/3/2022

All dimensions, specifications, drawings and illustrations are approximate and are subject to change without notice. Location of structure of building, parameter sizes, Actual square footage may vary from that stated herein. E.&O.E.

SHEET 1 OF 2 SHEETS

DRAFT PLAN OF STANDARD CONDOMINIUM ON BLOCKS 5 AND 6 REGISTERED PLAN 65M- TOWN OF AURORA REGIONAL MUNICIPALITY OF YORK

SCHAEFFER DZALDOV BENNETT LTD.

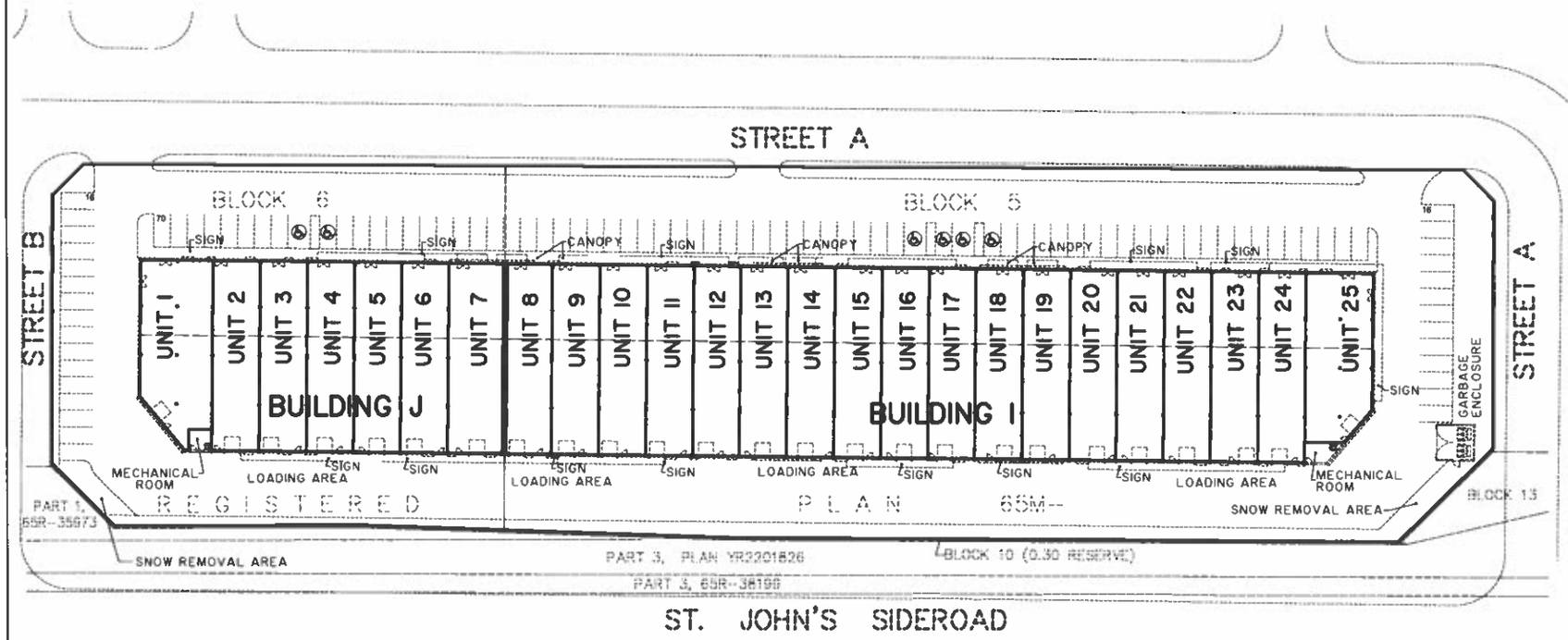


DIAGRAM ILLUSTRATING THE CONFIGURATION OF THE GROUND FLOOR PORTIONS OF UNITS 1 TO 25, BOTH INCLUSIVE ON LEVEL 1 (GROUND FLOOR)

ADDITIONAL INFORMATION REQUIRED UNDER SECTION 51 (17) OF THE PLANNING ACT

SEE BELOW
SEE PLAN
APPLICANT HAS NO INTERESTS IN THE ADJACENT LANDS
COMMERCIAL CONDOMINIUM UNITS
SEE PLAN
SEE PLAN
SEE PLAN
PIPED WATER
CLAY LOAM
SPOT ELEVATIONS
FULLY SERVICED
SEE PLAN, KEY PLAN

LAND USE

TOTAL UNITS & TYPE:
25 - UNITS
PARKING SPACES: 102 SPACES (INCLUDING 6 ACCESSIBLE)

OWNER'S CERTIFICATE

I AUTHORIZE SCHAEFFER DZALDOV BENNETT LTD O.L.S. TO PREPARE THIS CONDOMINIUM DRAFT PLAN.
2352107 ONTARIO INC.

DATE : _____ _____
JORDAN TEPERMAN A.S.O.

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THE BOUNDARIES OF THE LANDS TO BE SUBDIVIDED AND THEIR RELATIONSHIP TO THE ADJACENT LANDS ARE CORRECTLY SHOWN.

DATE : _____ _____
OPHIR N. DZALDOV
ONTARIO LAND SURVEYOR

DS

SCHAEFFER DZALDOV BENNETT LTD.
ONTARIO LAND SURVEYORS
64 JARDIN DRIVE CONCORD, ONTARIO L4K 3P3 TEL.(416)-987-0101

DRAWN: SL		JANUARY 10, 2022	JOB No. 20-720-00A

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SHEET 2 OF 2 SHEETS

DRAFT PLAN OF
STANDARD CONDOMINIUM ON
BLOCKS 5 AND 6
REGISTERED PLAN 65M-
TOWN OF AURORA
REGIONAL MUNICIPALITY OF YORK
SCHAEFFER DZALDOV BENNETT LTD.

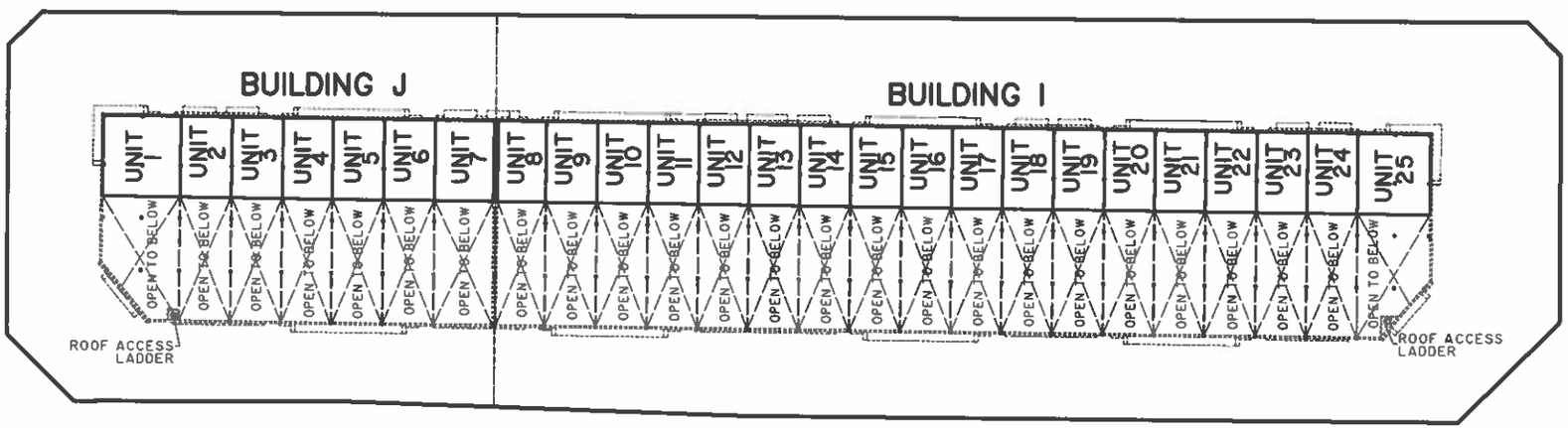

DIAGRAM ILLUSTRATING THE CONFIGURATION OF
THE MEZZANINE FLOOR PORTIONS OF UNITS 1 TO 25, BOTH INCLUSIVE
ON LEVEL 1 (MEZZANINE FLOOR)

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SCHAEFFER DZALDOV BENNETT LTD.
ONTARIO LAND SURVEYORS
64 JARDIN DRIVE CONCORD, ONTARIO L4K 3P3 TEL.(416)-987-0101

DRAWN: SL		JANUARY 10, 2022	JOB No. 20-720-00A

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AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act, 1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the loading and service areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) **"Lands"** or **"Property"** shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M- _____, currently being parts of PIN Nos. 03620-1629 and 03620-1632 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

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the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

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for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia,* the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

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accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld or delayed. The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet. Both parties acknowledge and agree that this section 2 (e)(iv) and the Occupancy Agreement apply only to the occupancy period and shall be void and unfordable once the transactions is closed.

(v) The Vendor shall have the right to enter the Unit at all reasonable times (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of electricity in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s) or utility provider(s) selected by the Vendor in the form required by such utility monitor(s) or utility provider(s) as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s) or utility provider(s) prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

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responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

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and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule "B" attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or

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otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) in the Vendor's sole and absolute subjective discretion. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be;

(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of ten thousand ($10,000.00) dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's

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Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the

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Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee, plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) feet high and twenty (20) feet wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

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(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

5. **No Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the "**ONHWPA**") and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA.

The Purchaser acknowledges and agrees that other than the Vendor's obligation to complete the Unit in a good and workmanlike fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage,

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twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

6. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend

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personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

7. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

8. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

9. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park

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area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "Development Agreements");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium, including, without limitation, the restrictions relating to Exclusivity Rights as more particularly set out in this Agreement and in the Condominium Documents;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

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(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is

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not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 9 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 9 or to evidence the survival of the terms herein set out.

10. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

11. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) (i) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(ii) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced

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by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

12. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

13. **Adjustments and HST**

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor's contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor's option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

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(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads;

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area;

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs (collectively, the "**Levies**") incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority, and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor;

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up

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fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor's solicitor's reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

(w) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the leasing of the generator(s) and/or boiler(s) for the Condominium prior to registration of the Declaration and Description; and

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto.

If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor's solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor's solicitor, by way of certified cheque(s) drawn on a solicitor's account and made payable to the Vendor's solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and other services attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith

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upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

14. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

15. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

16. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser's only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and

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which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

17. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

18. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

19. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

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(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser's Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 19 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits an amount apportioned to the Unit and the Purchaser on account of the Vendor's legal fees relating to such termination and the return of the Purchaser's deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance (but in any case not less than $10,000) as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall

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be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

20. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

21. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

22. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

23. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

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In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

24. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser's expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor's consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor's solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser's solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor's solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser's solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor's solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor's Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor's solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

25. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor's tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in

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writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

26. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

27. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

28. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

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Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5, with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

29. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

30. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

31. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

32. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 4:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser

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shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

33. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future development agreements affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such acknowledgements or amendments forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

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(b) The Purchaser expressly acknowledges that at the date of execution of this Agreement, draft plan and/or site plan approval pursuant to the provisions of the Planning Act, R.S.O. 1990 (the draft conditions) as amended may not yet have been obtained with respect to the Condominium. The Purchaser further acknowledges that the draft conditions and any Development Agreements may contain warnings, and other provisions which are required to be included in agreements of purchase and sale for units in the Condominium. The Purchaser covenants and agrees to execute any and all documentation, including an amendment to this Agreement, as may be required by the Vendor, and in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement, and acknowledged by the Purchaser.

(c) Without limiting the generality of the preceding subparagraph, the Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs,

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illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor's operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John's Sideroad) and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor's construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser's successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of

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such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other problems, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(w) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

34. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

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35. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

36. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

37. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

38. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

39. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

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(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium, and will not violate any of the Exclusivity Rights in favour of certain units in the Condominium as described above.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

40. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser covenants and agrees to provide to the Vendor, forthwith upon request by the Vendor, all identity and other information required by the Vendor in order to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000 as amended, as well as the Financial Transactions and Reports Analysis Centre of Canada. In addition, for the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Unit, 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 residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information, 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

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entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

(a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, as well as other future condominium declarants 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 condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(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 condominiums 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, and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, 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 Unit and the installation of upgrades ordered or requested by the Purchaser and agreed to by the Vendor;

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

(h) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);

(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(1)(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 the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the condominium corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

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

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

41. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement

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is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

42. **Purchaser Selling or Assigning**

The Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

43. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

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Appendix “D4”

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AURORA MILLS
BUSINESS PARK

Block 5 & 6, Units I10 & I11

AGREEMENT OF PURCHASE AND SALE

1.01 **Agreement to Purchase**

The undersigned 2870593 Ontario Inc. (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Units located in the Town of Aurora, in the Municipality of York, being Block 5 & 6, Unit numbers I10 & I11, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Units shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of [redacted] thirty (30) days after the date of the Purchaser's execution of this Agreement, which sum, equals 5% of the Purchase Price;

(c) the sum of [redacted] sixty (60) days after the date of the Purchaser's execution of this Agreement, which sum equals 5 % of the Purchase Price; and

(d) the sum of [redacted] by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5 % of the Purchase Price;

(e) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be _____ (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: **Industrial** (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

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DATED at Richmond hill, this 12 day of April, 2022. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

2870593 Ontario Inc.

Per: _____
Name:
Title:

Per: _____
Name: CHEN, ZHU NUAN
Title: Directoy
I/We have the authority to bind the corporation

Purchasers' Address:
51 Abbotsford Road,
Gormley, Ontario,
L0H 1G0

2352107 Ontario Inc.

Per: DocuSigned by: _____
96445806FC6E4CC...
Name: Paolo Abate
Title: ASO
I have authority to bind the Corporation.

Purchaser's Telephone Numbers:

Home: (647-407-3618)

Business: (_____)

Fax: (_____)

E-mail: sushispring.tony@gmail.com
annie@galaxysecurity.com

Purchasers' Solicitor:

Name: _____

Address: _____

Tel: _____ Fax: _____

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: Aaron M. English
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

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AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.

Demising Walls:

- 6 Inch concrete block walls from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 25 feet, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Steel exit door with metal frames and vendor standard hardware.
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code. Concrete topper throughout mezzanine area.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

Warehouse Area:

- Heating will be provided by a gas forced air hanging unit, suitable for size of warehouse area as determined by Vendor engineers and consultants.

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Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

No Block Wall Separation:

- The parties acknowledge and agree that the developer shall not be required to erect a block wall to separate unit I10 & I11, and they shall be delivered as one contiguous shall. All other conditions of the two units shall remain the same as agreed. The Two mezzanines shall being one piece and remain at 40 % of the ground floor as agreed. There shall be two access stairs to the mezzanine, one from each end of the contiguous shell.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

Initials of Purchaser(s)

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AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

THE UNDERSIGNED, being the Purchaser of the Unit described as Units I10 & I11, (the "**Unit**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated January 7th, 2022 and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

DATED at Richmond hill, this 12 day of April, 2022.

Company Name

Per: 2870593 Ontario Inc.
Name:
Title:

Per:
Name: CHEN, ZHU NUAN
Title: Director
I/We have the authority to bind the corporation

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AURORA MILLS
BUSINESS PARK

SCHEDULE "C"
TO AGREEMENT OF PURCHASE AND SALE

Additional Clauses:

Vendor Condition:

This Agreement will be conditional for Five (5) business days following mutual acceptance upon the Vendor amending the existing APS for Unit I10 and relocating the original buyer for unit I10 to another mutually agreeable unit in the complex (Unit I12). This condition is included for the sole benefit of the Vendor and may be waived at any time within the time specified. If the Vendor has not waived the condition in writing during such conditional period, then this worksheet shall be null and void.

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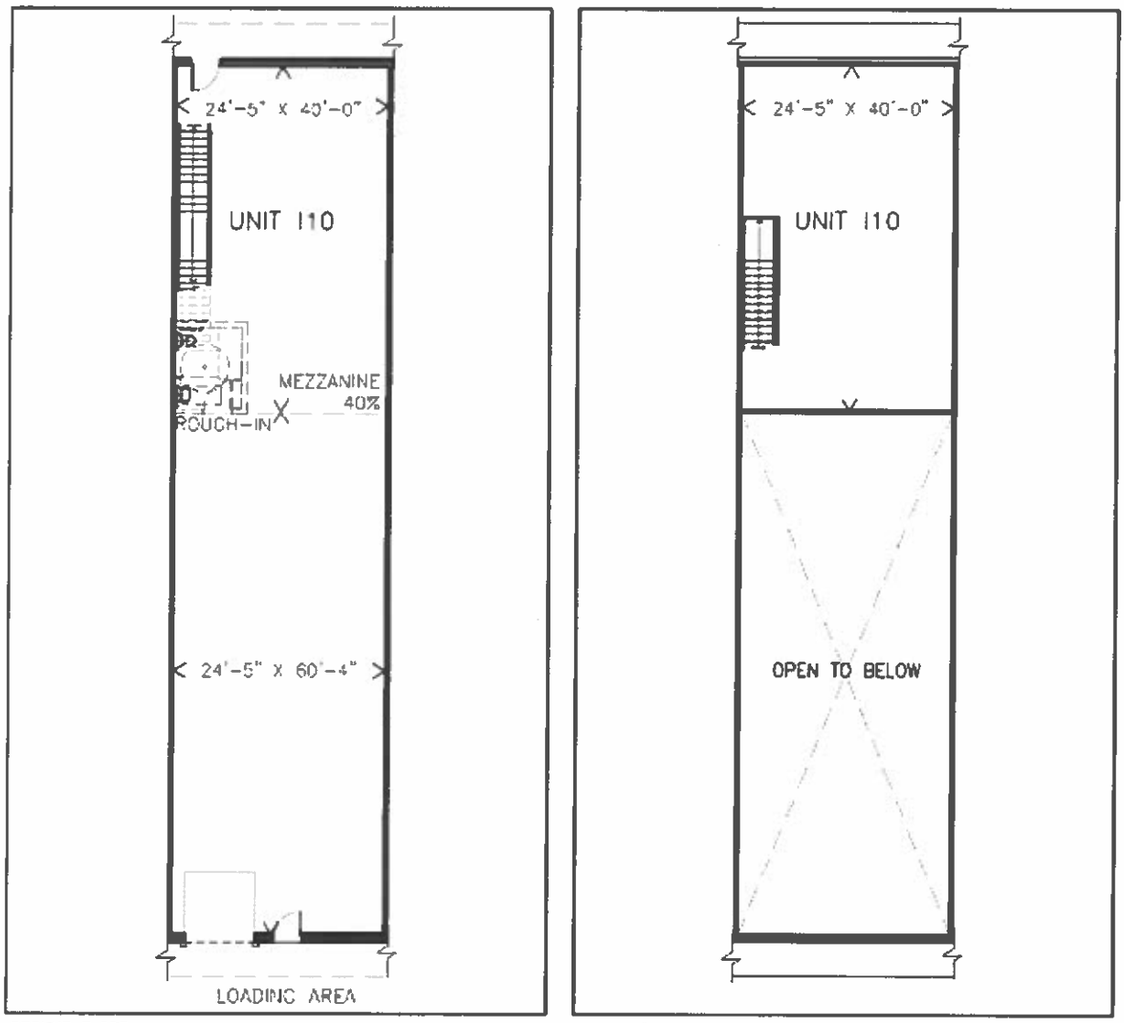
AURORA MILLS
BUSINESS PARK

SCHEDULE "D"
TO AGREEMENT OF PURCHASE AND SALE

Floor Plan – Block 5 & 6, Unit I10



BUILDING "I" – BLOCK 5
UNIT I1C
3,583.562 SQ FT.

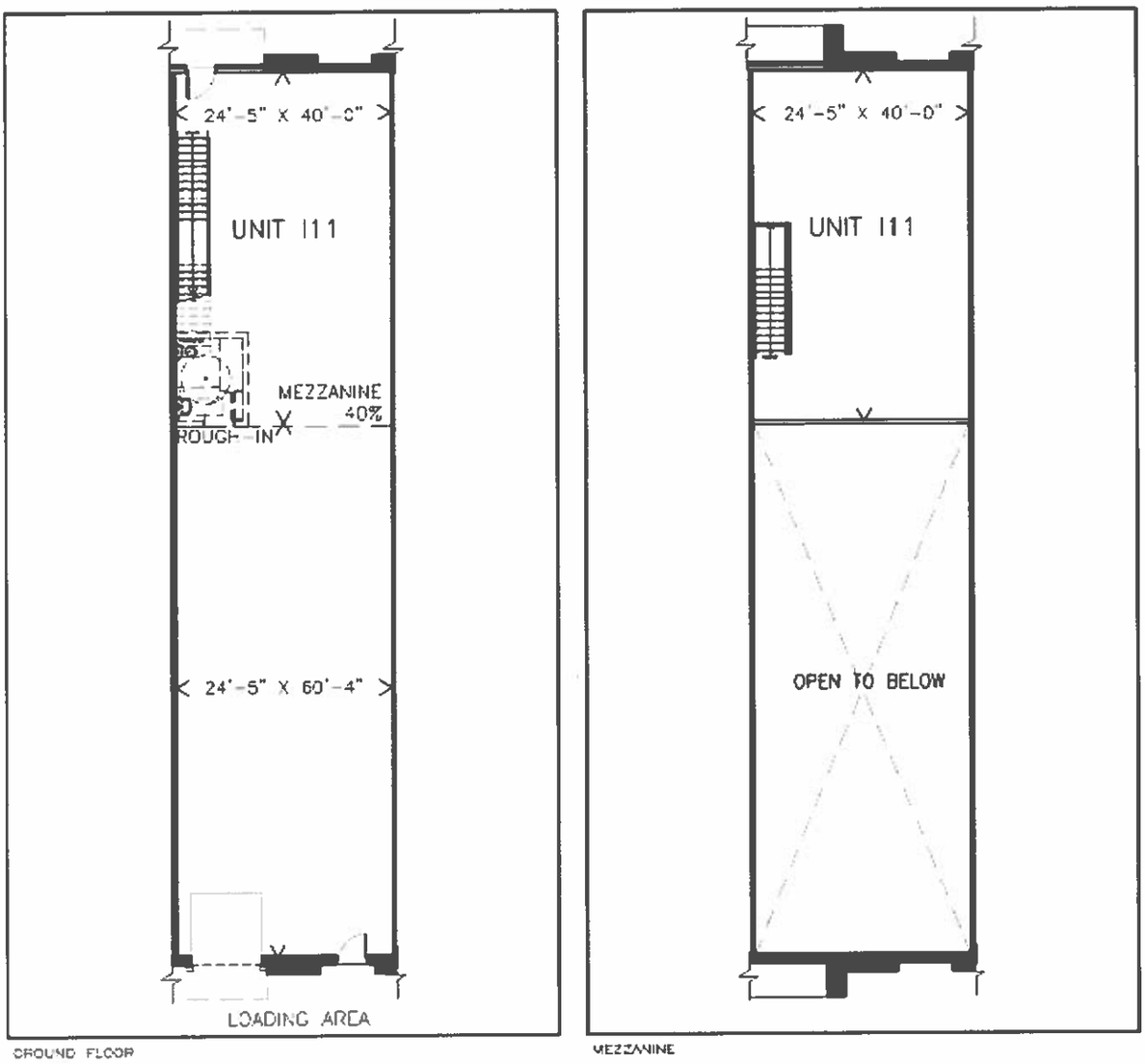


HAVEN
DEVELOPMENTS

PURCHASER SIGNATURE:
PURCHASER SIGNATURE:
VENDOR SIGNATURE:
DocuSigned by:
96445806FC6E4CC...
DATE: 4/13/2022

DocuSign Envelope ID: F68EEE59-FC57-449F-9651-ABC6883660D4

Floor Plan – Block 5 & 6, Unit I11



BUILDING "I" – BLOCK 5
UNIT I11
1,608.480 SQ.FT.



HAVEN
DEVELOPMENTS

PURCHASER SIGNATURE: CL

PURCHASER SIGNATURE:

VENDOR SIGNATURE: DocuSigned by: 96445806EC6E4CC...

DATE: 4/13/2022

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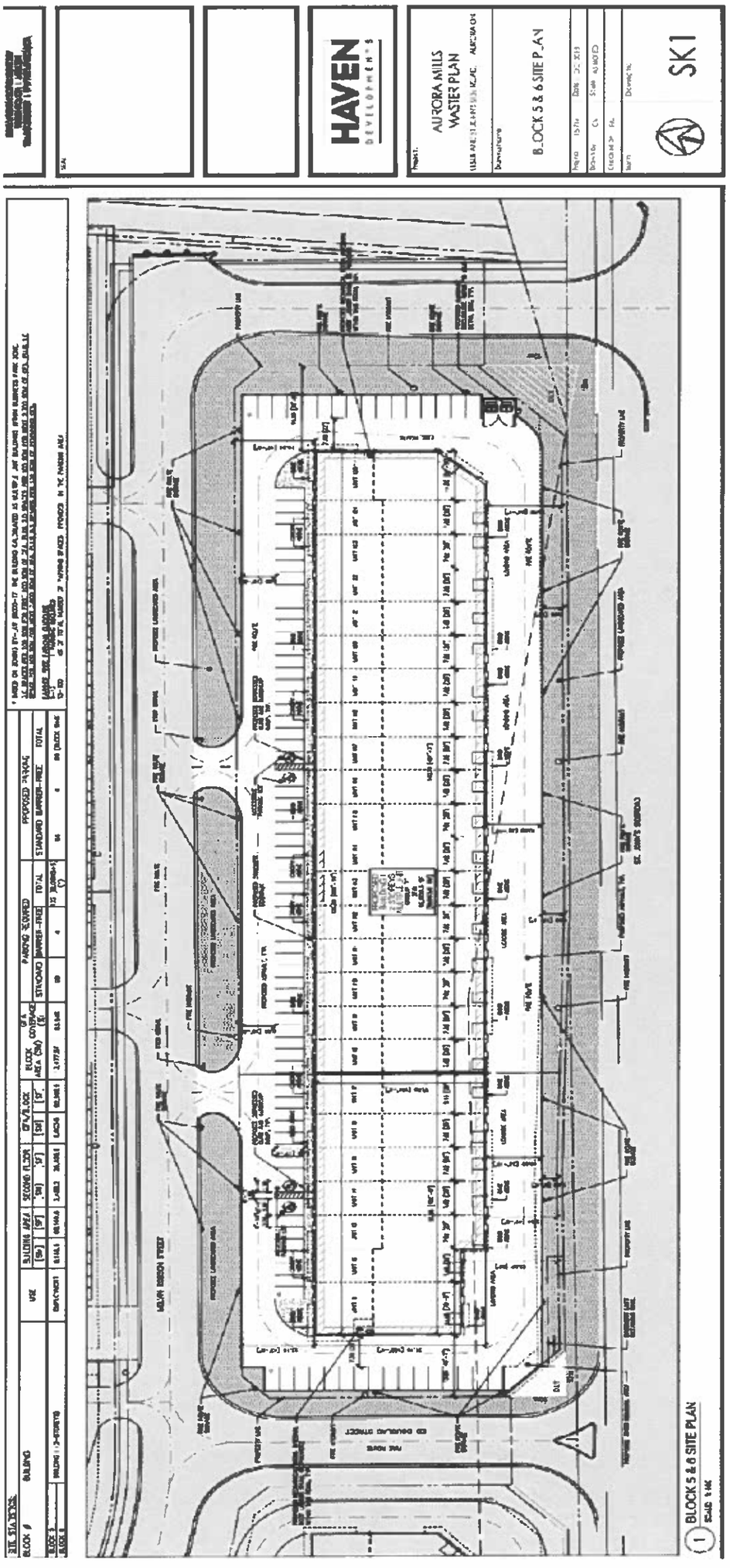
Block 5 & 6 – Master Plan



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AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act, 1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the loading and service areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) "**Lands**" or "**Property**" shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M- _____, currently being parts of PIN Nos. 03620-1629 and 03620-1632 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

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the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

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for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia,* the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

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accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may not be arbitrarily withheld or delayed. The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet. Both parties acknowledge and agree that this section 2 (e) (iv) and the Occupancy Agreement apply only to the occupancy period and shall be void and unenforceable once the transaction is closed.

(v) The Vendor shall have the right to enter the Unit at all reasonable times (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of electricity in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s) or utility provider(s) selected by the Vendor in the form required by such utility monitor(s) or utility provider(s) as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s) or utility provider(s) prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

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responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

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and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule "B" attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or

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otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) in the Vendor's sole and absolute subjective discretion. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be;

(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of ten thousand ($10,000.00) dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's

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Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the

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Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee, plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) inches high and twenty (20) inches wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

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(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

5. **No Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the "**ONHWPA**") and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA.

The Purchaser acknowledges and agrees that other than the Vendor's obligation to complete the Unit in a good and workmanlike fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage,

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twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

6. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend

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personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

7. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

8. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

9. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park

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area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "Development Agreements");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium, including, without limitation, the restrictions relating to Exclusivity Rights as more particularly set out in this Agreement and in the Condominium Documents;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

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(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is

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not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 9 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 9 or to evidence the survival of the terms herein set out.

10. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

11. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) (i) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(ii) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced

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by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

12. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

13. **Adjustments and HST**

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor's contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor's option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

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(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads;

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area;

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs (collectively, the "**Levies**") incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority, and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor;

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up

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fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor's solicitor's reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

(w) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the leasing of the generator(s) and/or boiler(s) for the Condominium prior to registration of the Declaration and Description; and

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto.

If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor's solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor's solicitor, by way of certified cheque(s) drawn on a solicitor's account and made payable to the Vendor's solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and other services attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith

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upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

14. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

15. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

16. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser's only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and

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which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

17. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

18. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

19. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

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(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser's Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 19 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits an amount apportioned to the Unit and the Purchaser on account of the Vendor's legal fees relating to such termination and the return of the Purchaser's deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance (but in any case not less than $10,000) as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall

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be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

20. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

21. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

22. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

23. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

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In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

24. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser's expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor's consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor's solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser's solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor's solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser's solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor's solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor's Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor's solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

25. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor's tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in

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writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

26. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

27. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

28. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

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Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5, with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

29. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

30. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

31. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

32. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 4:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser

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shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

33. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future development agreements affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such acknowledgements or amendments forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

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(b) The Purchaser expressly acknowledges that at the date of execution of this Agreement, draft plan and/or site plan approval pursuant to the provisions of the Planning Act, R.S.O. 1990 (the draft conditions) as amended may not yet have been obtained with respect to the Condominium. The Purchaser further acknowledges that the draft conditions and any Development Agreements may contain warnings, and other provisions which are required to be included in agreements of purchase and sale for units in the Condominium. The Purchaser covenants and agrees to execute any and all documentation, including an amendment to this Agreement, as may be required by the Vendor, and in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement, and acknowledged by the Purchaser.

(c) Without limiting the generality of the preceding subparagraph, the Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs,

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illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor's operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John's Sideroad) and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor's construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser's successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of

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such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other problems, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(w) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

34. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

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35. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

36. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

37. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

38. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

39. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

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(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium, and will not violate any of the Exclusivity Rights in favour of certain units in the Condominium as described above.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

40. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser covenants and agrees to provide to the Vendor, forthwith upon request by the Vendor, all identity and other information required by the Vendor in order to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000 as amended, as well as the Financial Transactions and Reports Analysis Centre of Canada. In addition, for the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Unit, 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 residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information, 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

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entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

(a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, as well as other future condominium declarants 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 condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(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 condominiums 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, and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, 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 Unit and the installation of upgrades ordered or requested by the Purchaser and agreed to by the Vendor;

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

(h) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);

(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(1)(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 the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the condominium corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

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

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

41. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement

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is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

42. **Purchaser Selling or Assigning**

The Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

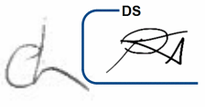
43. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

Initials of Purchaser(s)







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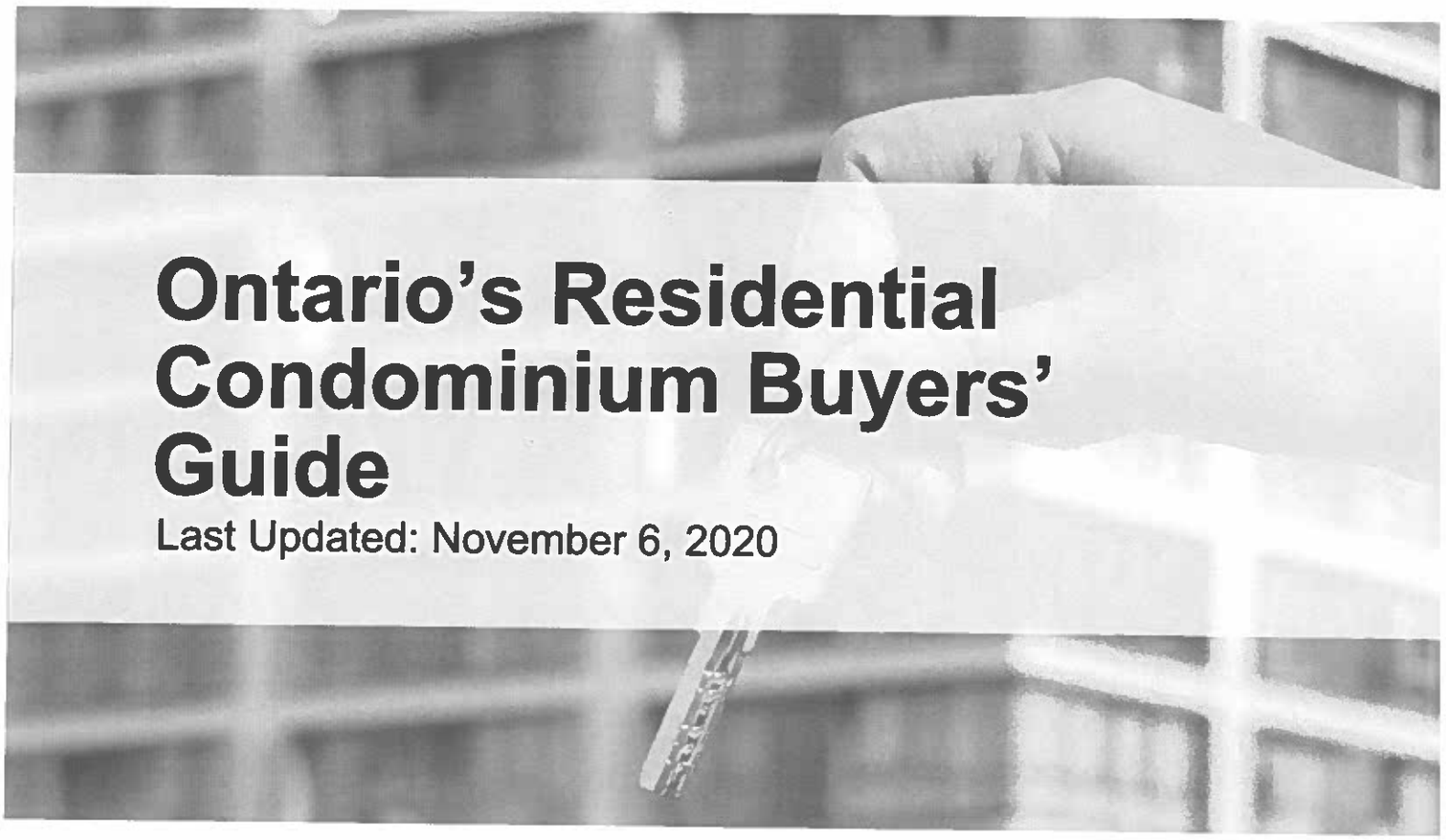

Ontario's Residential Condominium Buyers' Guide

Last Updated: November 6, 2020

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Ontario's Residential Condominium Buyers' Guide - Using the Condo Guide

Purpose

According to section 72 (1) of the Condominium Act, 1998 (the "Condo Act"), Ontario's Residential Condominium Buyers' Guide ("the Condo Guide") prepared by the Condominium Authority of Ontario (CAO) is required to be provided to buyers of residential pre-construction/new condo units by the declarant ("developer") when buyers are purchasing from the developer or a person acting on behalf of or for the benefit of the developer. Purchasers of resale residential condo units may also wish to review the Condo Guide.

This Condo Guide has been approved by the Minister of Government and Consumer Services.

The purpose of the Condo Guide is to provide condo purchasers in Ontario with information and resources to make a more informed decision when purchasing a residential condo unit ("unit").

Under section 73(2) of the Condo Act, purchasers have a 10-day cooling off period in which they may rescind their agreement of purchase and sale. This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale and your disclosure documents and the Condo Guide. The CAO recommends that you carefully review the disclosure statement, agreement of purchase and sale, and the Condo Guide within the 10-day period.

The Condo Guide can be found below, commencing on page three with the table of contents, and will be updated from time-to-time. To confirm that you have the most up-to-date version, please visit the CAO website at www.thecao.ca.

Important Information Regarding Governing Documents

To make sure a particular condominium corporation ("condo corporation") is right for you, you may wish to read a condo corporation's existing or proposed governing documents, as applicable, before purchasing a unit. Information describing these governing documents, which consist of **1) the declaration; 2) the by-laws; and 3) the rules** is provided in the Condo Guide in Sections 1.1 and 3.3.

These documents, along with the rest of the disclosure statement (including the budget statement), and the agreement of purchase and sale, contain important information about what you are buying, and what you will need to pay for etc. This information may impact your decision to purchase a unit. If you have questions about the information contained in these documents, you may want to seek help from a legal professional.

Key Information for Buyers of Pre-Construction Residential Condo Units

To find information about buying a unit from a developer, you should review the following sections of the Condo Guide:

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- Introduction
- Part 1.1: Before You Buy a Pre-Construction Condominium Unit
- Part 1.2: Buying a Pre-Construction Condominium Unit
- Part 1.4: Additional Considerations
- Part 2: Moving into a Pre-Construction Condominium Unit

For more information on rescission of agreements of purchase of sale within the 10-day cooling off period, please visit Part 1.2 of the Condo Guide.

Key Information for Buyers of Resale Residential Condo Units

To find information about buying a unit from an existing owner (i.e. a 'resale condo' that is not sold by the developer), you should review the following sections of the Condo Guide:

- Introduction
- Part 1.3: Buying a Resale Condominium Unit

Key Information for Condominium Owners

To find information about condo living and governance that may be helpful before or after your condo purchase, you should review the following sections of the Condo Guide:

- Part 2.3: Tarion and the Ontario New Home Warranties Plan Act
- Part 3: Condo Living
- Part 4: Resources for Issues Resolution

Next Steps

Given the importance of this buying decision and the many factors to the condo purchase process, along with your expectations for condo living, it is important that you carefully review the condo corporation's governing documents, the rest of the disclosure statement (including the budget statement), the agreement of purchase and sale, and this Condo Guide. Also, the CAO is encouraging condo owners to subscribe to our email list to receive important email updates from the CAO. You can subscribe by either clicking here.

Additional information on the above can also be found on the CAO's website at www.thecao.ca.

You may also wish to consider seeking legal advice for any questions or concerns that you may have.

Please note that the material in the Condo Guide should not be interpreted as legal advice.

This Condo Guide has been approved by the Minister of Government and Consumer Services and is intended to apply to the purchase of new and pre-construction residential condominium units beginning on January 1, 2021.

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Ontario's Residential Condominium Buyers' Guide

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Introduction

What is a Condominium?

When most people hear the word "condo" they may think of a single residential tower or maybe a townhouse, but what "condo" really refers to is a specific kind of real estate ownership structure that involves shared ownership of common elements and community decision making. This means that a condo could resemble a park, parking lot, or even an empty field. If you are considering purchasing property in a condo corporation, it is important to understand upfront that condo living involves shared ownership and therefore a responsibility to your community.

Unlike when you own a traditional house, when you purchase a condo you become part of a condo community and become responsible for paying your share of the common expenses and complying with the condo corporation's governing documents, among other things. You will also be able to participate in condo governance by, for example, voting for directors.

A "condo" is also a type of corporation. A condo corporation is responsible for making decisions about the condo property on behalf of the owners. A condo corporation may also get a condo manager/management services provider to help manage the property and the affairs of the corporation on the corporation's behalf. The condo property is described in certain documents that must be completed and officially registered to establish the condo corporation. Those documents specify how the land is divided into units and common elements, as applicable. The owner of the land where the condo corporation is being established arranges for those documents to be registered with a Land Registry Office. That owner is known as a "declarant", who may be the developer of the land. The condo owners (e.g., unit buyers) are the members of the condo corporation. The Condo Act sets out rights and responsibilities related to the management of a condo, including rights and responsibilities of condo owners and condo boards.

Condo corporations are created for many different uses including for residential, commercial, industrial, or mixed-use purposes.

Different Kinds of Condominiums

The Condo Act outlines various types of condo corporations. There are two main categories of condo corporations: freehold and leasehold. Freehold condos are condo corporations where the condo property is owned by the condo owners. Leasehold condos are condo corporations on leased land. Owners have a leasehold interest in units and common elements but do not own the land. Under the Condo Act, there are **four** different types of freehold condos:

1. **Standard Condominium**
   - The most common type of condo corporation in Ontario.
   - Has individual units.
   - May include common elements, which often include areas such as a foyer, exterior walls, and amenities (e.g., pools, gardens).
2. **Phased Condominium**

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- A condo corporation that is intended to be built and registered in phases.
- New units and common elements are constructed and added to the condo corporation.
- Upon completion, a phased condo corporation becomes a standard condo corporation.

3. Vacant Land Condominium

- The units may be vacant lots at the time of purchase, and the layout of the lands may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.
- The developer can sell the lots as vacant or build (e.g., homes) on the lots and sell the lots with buildings on them.

4. Common Elements Condominium

- There are no units in this type of condo corporation. Instead, ownership is of a common interest in the common elements of the condo corporation by a separate parcel of land that is "tied" to the common elements corporation.
- Owners purchase a part of a common elements. Examples include shared roads, golf courses, or ski hills.

Leasehold Condominium

- Developed on land that is leased for a term between 40 and 99 years.
- Common expenses include a portion of the rent payable to the landowner.
- Once the lease expires, the owners' rights to occupy their units are automatically terminated.
- Leasehold condo corporations may be less common in Ontario.

It is important to note that the Condo Act has some different requirements for different types of condo corporations.

Part 1: Buying a Condominium Unit

1.1 Before you Buy a Condominium Unit

One of the most important steps you can take before you buy is to educate yourself and get the help you need to make an informed decision. Consulting this Condo Guide is a good start, but it is also important to seek legal advice before you buy. Buying a condo is a complex process and involves reviewing lengthy and sometimes difficult-to-understand documents. Seeking legal advice is the best way to ensure you are making an informed decision.

Reviewing a condo corporation's governing documents provides an opportunity to learn important information about the condo corporation you are considering. The information found in a condo corporation's governing documents may be key to your enjoyment of your unit and could have an impact on your buying decision. For more information on governing documents, including the 1) the declaration; 2) the by-laws; and 3) the rules, see section 3.3.

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Researching builders is another important step you may wish to take before purchasing a pre-construction unit. It is important to ensure that the builder you plan to buy a unit from is licensed by Tarion (Ontario's new home warranties and protections administrator – for more information see section 2.3 of this Condo Guide).

Tarion's Ontario Builder Directory is a useful resource for confirming the status of the builders before you buy. Please note that the Ontario Builder Directory will be available through The Home Construction Regulatory Authority (HCRA) starting in early 2021.

The HCRA is an independent, not-for-profit corporation that is preparing to potentially be designated as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If a regulatory authority is designated, Tarion would cease to provide this function, subject to potential exceptions during transition. At this time, it is expected that the future regulatory authority would be operational in early 2021.

1.2 Buying a Pre-Construction Condominium Unit

Documents to Review

Along with reviewing the information in this Condo Guide, it is important to review and fully understand the information in the following documents that are generally required to be provided to purchasers by developers:

1. **Pre-construction Agreement of Purchase and Sale**

The agreement of purchase and sale, sometimes referred to as the purchase agreement, contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations, the unit, and the condo construction project. You may wish to review this document carefully with a legal professional.

2. **Tarion's Information Sheet for Buyers of Pre-Construction Condominium Homes about the Possible Termination of Purchase Agreement**

All buyers of residential units in a standard or phased pre-construction condominium project where the first arm's length purchase agreement for the project was signed on or after January 1, 2020 must be given an information sheet that includes an outline of the possible risks of buying a unit in a pre-construction condominium project, in addition to other information (e.g., the estimated occupancy date for your unit and the status of construction).

3. **Tarion Addendum**

The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to. Information contained in the Tarion Addendum includes the delayed occupancy warranty provided by the builder, in accordance with the Ontario New Home Warranties Plan Act. The Tarion Addendum also contains a Statement of Critical Dates and early termination conditions that apply to the

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agreement. In a disagreement or dispute about information contained within the agreement of purchase and sale and the Tarion Addendum, the Tarion Addendum prevails over the agreement of purchase and sale document and any other attachments to the extent of any conflict or inconsistency.

4. Disclosure Statement

Another very important document to review and understand is the disclosure statement which the builder is required to provide to condo buyers who buy directly from the developer or a person acting for the developer's benefit. This is required under section 72 of the Condo Act. Your agreement of purchase and sale is not binding on you as a buyer until you receive the disclosure statement and this Condo Guide from the developer.

The disclosure statement includes a lot of important information, including but not limited to:

- A copy of the existing or proposed declaration, by-laws, and rules for the condo corporation.
- A summary of the agreements to be entered into by the builder before the turn-over meeting, including agreements for condo management services and services like repairs and landscaping, and
- A copy of the budget statement for the first year after registration of the condo corporation.

It is important to carefully review the disclosure statement, consult with a legal professional about it and ensure that you do not have any outstanding questions.

Deposits

Generally, under the Condo Act, funds received by the builder of a condo project must be held in trust. This includes deposits and certain other payments covered by the purchase agreement.

If a project is terminated, the builder is generally required under the Tarion Addendum to refund all monies paid, plus interest, if any, calculated in accordance with the Condo Act (for information on the interest rates, see section 19 (3) of Ontario Regulation 48/01 under the Condo Act).

If the money is not refunded, then buyers may be able to make a claim to Tarion under the *Ontario New Home Warranties Plan Act*. Deposits and other payments by residential condo buyers are protected under the *Ontario New Home Warranties Plan Act* for up to a maximum of $20,000.

For more information about deposit protection, please click here.

Cooling Off Period and Rescission of Agreement

Section 73 of the Condo Act provides you as a buyer with a cooling off period of 10 days to consider whether you want to proceed with the purchase. Section 73 allows you to rescind the purchase agreement by notifying the developer of your wish to do so within the 10-day cooling off period.

This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale executed by the declarant and the purchaser and your disclosure documents and Condo Guide. Within the 10-day cooling off period, you have the right to rescind or cancel the purchase agreement that you have signed for any reason whatsoever. Generally, you should also be refunded, without penalty or charge, all money deposited toward the purchase price, along with any applicable

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interest (for information on the interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

Additionally, the Condo Act provides for a further rescission right where there is a material change in the disclosure statement. If there is a material change (i.e. an important change that would have caused a reasonable buyer to no longer want to proceed with the purchase, had that information been included in the disclosure received by the purchaser), then you may be able to rescind or cancel your purchase agreement during an additional 10-day cooling off period. This 10-day cooling off period starts from the later of:

1. the date that the declarant has delivered a revised disclosure statement or a notice to you confirming the material change;
2. the date that you otherwise become aware of the material change; or
3. the date that the Ontario Superior Court of Justice has determined that a material change has occurred.

Occupancy Dates & Delayed Occupancy

A page of the Tarion Addendum within your agreement of purchase and sale contains a Statement of Critical Dates which must be signed by both the condo buyer and the builder. The Statement of Critical Dates sets out when the builder expects to finish the unit and the latest dates for permitted extensions. You should review these dates closely including the firm occupancy date and the outside occupancy date.

Note that condo construction can sometimes be delayed, which means you may not be able to take occupancy of your unit on the anticipated occupancy date set out in the agreement. This is called delayed occupancy.

Your new home warranty coverage includes delayed occupancy coverage in certain circumstances. Details on the delayed occupancy warranty are provided in the Tarion Addendum in your agreement of purchase and sale.

For more information about occupancy dates and delayed occupancy warranty, visit Tarion's webpage.

Condo Cancellations

Pre-construction condo projects can sometimes be cancelled even after you have made a deposit on your purchase. This is because there are many stages in building a condo that may remain to be completed after you have made a deposit. The Tarion Addendum forming part of your purchase agreement must set out any conditions that may result in the condo not proceeding and therefore the potential termination of the purchase agreement. In these cases, it is the vendor who would terminate the agreement.

These conditions may include, but are not limited to:

- Failure to sell enough units,

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- Inability to secure financing for the project, or
- Delays in obtaining the required building or planning approvals.

It is important for you to be aware of the potential conditions when you are thinking of entering the purchase agreement. Buyers may wish to review the Tarion Addendum for identification of early termination conditions applicable to their purchase agreement.

In most cases, if a condo project is cancelled, buyers are entitled to get their deposit back, plus any accrued interest, if applicable. The Condo Act also provides for interest to be paid based on an interest rate calculation (for more information on those interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

For more information on condo cancellations, please click here.

1.3 Buying a Resale Condominium Unit

Purchasing a resale unit involves buying a unit from the current owner rather than from the developer. If you are thinking of buying a resale unit, it is important to do your research on the unit and condo corporation before making any decisions and consult a legal professional. **Before purchasing a unit, you may wish to consider the following:**

- **The status of the reserve fund and age of the building.** A reserve fund is required to ensure that the condo corporation has enough money to pay for major repairs and replacement of the common elements and assets of the condo corporation. It is important to note if the building will require any significant repair, maintenance or updating with its age and the plan for addressing those issues. You should consider the health of the reserve fund and review what is your responsibility to repair and maintain.
- **Common expenses**. This is the amount unit owners pay toward the operation of the condo corporation (e.g., security costs, cleaning costs, etc.) and contributions to the reserve fund. It is important to incorporate common expense fees into your budget when considering purchasing a condo. Common expense fees may change over time depending on the needs of the condo corporation.
- **The units and common elements**. The size, layout, and boundaries of the unit and the common elements generally will not change. You may wish to consider what is your responsibility to repair and maintain. For more information on units and common elements, see section 3.5 of this Condo Guide.
- **Amenities.** Consider that, in general, all the owners must pay for the common elements, regardless of whether you use them or not.
- **Litigation.** It is important to be aware of any litigation against the condo corporation or that the condo corporation is a party to, as owners generally will be responsible for the costs. If the condo corporation cannot cover the costs with the operating fund, a special assessment (an extra one-time charge added to an owner's common expenses) may be required. You can

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learn about on-going litigation by requesting a status certificate from the condo corporation, which is described in the next section.

- **New Home Warranty Information.** You may wish to consider whether the unit is still covered by any remaining new home warranties and protections under the *Ontario New Home Warranties Plan Act*. There are three different warranty periods that cover different types of defects, the longest of which is seven years. The maximum statutory coverage available is $300,000. More information about new home warranties and protections can be found on the Tarion website. To check the status of your home's warranty you may wish to contact Tarion by phone (toll free) 1-877-982-7466 or via e-mail at ismyhomecovered@tarion.com.

Documents to Review

- **The condo corporation's governing documents.** You will be required to abide by your condo corporation's declaration, by-laws, and rules. For more information see section 3.3 of this Condo Guide.
    - The declaration is the foundational document of the condo corporation and includes, among other things, the proportion which each unit owner contributes to common expenses and the repair and maintenance responsibilities of owners vs. the condo corporation. The declaration may also include information about how units and common elements can or cannot be used. The existing or proposed declaration will be included in the disclosure statement you receive from the developer when purchasing a pre-construction/new condo.
    - The by-laws may lay out how the condo corporation governs itself and how the condo corporation operates (e.g., some of the requirements for electing directors).
    - The rules may govern what the owners and occupants can and cannot do in their specific condo community in certain circumstances (e.g., for safety reasons).

- **Status Certificates.** A status certificate is an important document for purchasers of resale condos containing information about a specific completed condo unit and the condo corporation to which it belongs. Any person can request a status certificate for a unit from a condo corporation. A condo corporation can charge up to $100 (including all applicable taxes) for the status certificate. The condo corporation must provide the status certificate within 10 days of receipt of the request and payment for it.

  Status certificates are particularly important for prospective buyers of resale units because they contain important information, such as:

  - A copy of the condo corporation's current declaration, by-laws, and rules.
  - A copy of the budget for the current fiscal year, the last annual audited financial statements and the auditor's report.
  - A statement of the most recent reserve fund study.
  - A statement of the common expenses for the unit and whether the unit is in arrears of payment.
  - If the common expenses for the unit have increased since the current year's budget was prepared, a statement of the increase and the reason.

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- If an assessment has been charged against the unit since the current year's budget was prepared, a statement of the assessment and the reason.
- The address for service for the condo corporation (e.g., the address where the condo corporation receives mail).
- The names and addresses for service for the directors and officers of the condo corporation.
- A certificate of insurance for each of the current insurance policies.
- Information about certain legal issues that may affect the condo corporation (e.g., whether there are outstanding legal judgments against the condo corporation, or if the condo corporation is involved in any ongoing litigation).

You can also access key information on any condo corporation in the province through the CAO's Public Registry. You may wish to consider speaking to a legal and/or real estate professional when considering purchasing a resale condo and before signing any documents.

1.4 Leasing Your Unit

Leasing out a condo unit is an option that many condo owners use at some point during their time as a condo owner, however, there are special considerations that you must keep in mind if you choose to lease out a condo unit. In Ontario, the *Residential Tenancies Act, 2006* outlines the rights and responsibilities of landlords and tenants who rent residential properties. The *Commercial Tenancies Act* applies to leasing commercial properties.

It is the responsibility of the unit owner to ensure that the renter abides by the condo corporation's declaration, by-laws, and rules. Additionally, a unit owner must, within 10 days of entering the lease or the renewal of the lease, provide the renter with these documents. Section 83 (1) of the Condo Act requires that an owner also notify the condo corporation that the unit has been leased within the same timeframe, and provide the renter's name, the unit owner's address and a copy of the lease or renewal or a summary of the lease or renewal. A form is available on the CAO's website which will allow you to easily communicate this information to a condo corporation.

If you plan on leasing your unit you must also be aware of restrictions that the condo corporation's governing documents may place on owners in relation to leases. For example, the condo corporation could have minimum terms for unit leases to prevent the units in the condo corporation from being used as short-term rentals.

Part 2: Moving into a Pre-Construction Condominium Unit

2.1 Interim Occupancy

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Interim occupancy occurs in pre-construction condo projects when the developer/builder lets the buyer take occupancy in the unit before the declaration has been registered and the title can be transferred to the buyer. During interim occupancy, you cannot make mortgage payments until the condo corporation is registered.

As your building nears completion, your developer/builder will advise you of your interim occupancy date. On the interim occupancy date, you can live in your unit, but it is important to note that you do not own it yet. Ownership of your unit can only be transferred to you once the condo corporation has been registered.

During the interim occupancy period, you will be required to pay the developer/builder an interim occupancy fee, regardless of whether you move into the unit or not.

The interim occupancy fee cannot be more than the total of:

- The interest (calculated monthly) on the unpaid balance of the purchase price at the prescribed interest rate;
- The estimated monthly municipal taxes for the unit; and,
- The projected common expense fees for the unit.

For additional information regarding interim occupancy, click here.

2.2 Creating the Condominium Corporation

Condominium Registration Process

Condo corporations are created when the developer registers the declaration and description with the Land Registry Office. Some registration requirements vary by the type of condo corporation being proposed (e.g., phased, common elements etc.).

The declaration and description are legal documents that contain fundamental information about the condo corporation and the property. The proposed or existing declaration must be included in the disclosure statement provided to you by your developer. You may wish to review this carefully.

The **declaration** will contain information such as:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The **description** defines the units and the common elements and specifies the boundaries between them. The description will contain information such as:

- A survey showing the boundaries of the property;

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- Diagrams showing the shape and dimensions of each unit; and
- Specification of the boundaries of each unit and what is considered part of the common elements.

The Condo Act requires developers to take all reasonable steps to finish construction and register the condo corporation without delay.

More information about the declaration and description as well as your condo corporation's other governing documents can be found in section 3.3 of this Condo Guide, or by clicking here.

Declarant-controlled boards

*Please note that, for ease-of-understanding the Condo Guide uses the term "developer" throughout in place of the term "declarant", which is used in the Condominium Act, 1998. This section will use both as the term "declarant-controlled board" is used often in materials related to pre-construction and new condo projects.

Within ten days after the condo corporation has been registered, **the declarant (who is generally your developer/builder)** is required to appoint at least three individuals to make up the condo corporation's first board of directors. This first board is called the declarant-controlled board. The declarant-controlled board is responsible for carrying out all normal board duties until the declarant ceases to own a majority of the units in the condo corporation. For example, the declarant-controlled board may propose or make by-laws and rules. More information about condo boards and condo board duties can be found in section 3.2 of this Condo Guide.

Once the declarant ceases to own a majority of the units, the declarant-controlled board is required to call a meeting of the owners to elect a new board within 21 days. The meeting must then be held within 21 days of being called, meaning that the meeting must occur within 42 days of the declarant no longer owning a majority of the units. This meeting is called a turn-over meeting.

Turn-over Meetings

The turn-over meeting is an important meeting for the condo corporation because the turn-over meeting must cover two important items:

- The turn-over of important documents from the declarant (i.e. generally your developer or builder) to the condo corporation, and
- The election of the first owner-controlled condo board of directors.

The declarant is responsible for turning over important documents at the turn-over meeting such as:

- The condo corporation's minute book (a minute book is the primary record of a condo corporation's meetings);
- The condo corporation's declaration, by-laws, and rules;
- Agreements already entered into on the condo corporation's behalf;

The declarant must turn over other important information within 30 days of this turn-over meeting, such as:

- All financial records of the condo corporation and of the declarant for the condo corporation from the date of registration onwards;

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- A copy of any reserve fund studies conducted to date (if any); and
- A copy of the most recent disclosure statement.

Within 60 days after the turn-over meeting, the declarant must also turn over audited financial statements.

Additionally, at the turn-over meeting, unit owners will vote for new board members. For certain requirements related to a turn-over meeting, see section 43 of the Condo Act.

First-Year Budget

According to section 72 of the Condo Act, the declarant (i.e. generally your developer or builder) is responsible for preparing, and including in the disclosure statement, the first-year budget (also referred to as the budget statement) which covers the one-year period immediately following the registration of the declaration and description. Information included in the first-year budget should include, among other things:

- The projected common expenses for the condo corporation;
- The particulars of the type, frequency, and level of services to be provided;
- The projected costs of the performance audit;
- The projected monthly common expense contribution for each type of unit;
- The projected cost of the first reserve fund study; and
- The costs of preparing the audited financial statements.

Overall, the first-year budget is meant to give you a good idea of the expenses you can expect to pay in addition to the cost of buying your unit.

Additionally, section 75 of the Condo Act requires that the declarant be accountable for the first-year budget. After receiving the audited financial statements for the period covered by the first-year budget, the board has 30 days to compare the actual expenses with the first-year budget prepared by the declarant. If there is a shortfall (i.e., there are less funds projected based on the first-year budget than the actual first year expenses), the declarant may be responsible for the shortfall.

2.3 Tarion and the Ontario New Home Warranties Plan Act

What is Tarion?

Tarion is an independent not-for-profit corporation with responsibility for administering the *Ontario New Home Warranties Plan Act*, including warranties and protections claims. Until early 2021, Tarion also serves the function of licensing new home builders and vendors.

For more information on Tarion, please visit their website by clicking here.

What is The Home Construction Regulatory Authority?

The Home Construction Regulatory Authority (HCRA) is an independent, not-for-profit corporation that is preparing to potentially be designated by the Ontario government as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If the HCRA is

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designated, Tarion would cease to regulate builders and vendors, subject to potential exceptions during transition. Tarion would remain responsible for warranty administration. At this time, it is expected that the future regulatory authority would be operational in early 2021.

For more information on the HCRA, please visit their website by clicking here.

New Home Warranties Plan Act and Coverage

Tarion's legal responsibilities and mandate come from the *Ontario New Home Warranties Plan Act*. In Ontario, all new residential condos are required to be enrolled in the Ontario new home warranty and protection program, administered by Tarion. If you purchase a new condo and there are warrantable defects (e.g., construction issues, unfinished work, etc.), you can report these to Tarion and your builder. If your builder does not fix the defects, Tarion may provide warranty assistance, if the item is warrantable. Be sure to visit the Tarion website for a breakdown of new home warranty and protection coverage and more information.

For more information about new home warranty coverage click here.

Information for purchasers of units in residential condominium conversions is available here.

The common elements of most condos are also covered by Tarion's warranties. If a common element requires warranty coverage, the condo corporation will address the issue (rather than any one individual owner). Section 44 of the Condo Act requires that between the six- and ten-month mark following the registration of the declaration, the board must appoint an engineer or architect to conduct a performance audit. This audit must be submitted to Tarion which will allow the corporation to make claims regarding issues with the common elements. If the corporation does not file in time, it will be impossible to make claims under the Tarion warranty program. It is common that the condo board directors appoint an individual to manage this process on behalf of the board.

To access more information on the common elements warranty process, please click here.

Pre-Delivery Inspection

A very important step for identifying potential issues or deficiencies is the pre-delivery inspection (PDI). A PDI is your chance to raise issues you notice with your new condo, such as incomplete construction, a damaged area, or an element of poor workmanship of the unit.

During the inspection, the builder of the condo will take you to inspect the new unit and may demonstrate the internal systems (such as air conditioning) of your unit. If you identify a defect during your PDI, your builder should note it on the PDI Form to establish that it existed prior to closing and thus was something not caused by you. It is your builder's responsibility to list these items and provide you with a copy of the completed PDI Form.

The PDI form is an important document, as it will be the official record of the state of your home before you move in, so keep your copy in a safe place. However, the PDI form is not an official warranty form and any items that are not corrected by the time you move in need to be listed on a 30-Day or Year-End Form.

Builder Registration/Licensing

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Under the *Ontario New Home Warranties Plan Act*, all new home builders and vendors must be registered with Tarion and enroll their homes in the Ontario new home warranty and protection program.

In early 2021, the Home Construction Regulatory Authority (HCRA) is expected to be designated as the new regulator for new home builders and vendors. As the regulator of new home builders and vendors upon designation, the HCRA would be responsible for receiving and responding to any licensing related inquiries or complaints regarding a builder or vendor. Tarion would remain responsible for any warranty-related inquiries or complaints.

Until early 2021, Tarion will maintain an Ontario Builder Directory of all new home builders and vendors. Buyers of new homes are encouraged to check the Ontario Builder Directory to ensure their builder or vendor is registered with Tarion.

In addition, the Ontario Builder Directory includes information about condominium projects retroactive to January 1, 2018, including cancelled condominium projects and the status of each condominium project (i.e., completed, in progress or cancelled).

If the HCRA is designated by the Ontario government as the new regulator for new home builders and vendors, the HCRA would become responsible for the Ontario Builder Directory once it is operational in early 2021.

Part 3: Condominium Living

3.1 Introduction to Condominium Living

Your Unit and Common Elements

In a condo corporation, as an owner, you typically own your individual unit and collectively share in the ownership of and expenses for the common elements.

Unlike units, common elements may not be for the exclusive use of a particular unit owner. Common elements may include parking garages, elevators, lobbies, and much more. They may also include structural elements like the walls between the units, doors, plumbing and electrical work.

Exclusive Use Common Elements

Certain common elements may be for the exclusive use of a particular condo owner. These are called exclusive-use common elements. An example of an exclusive-use common element may be the balcony of a unit. Although a condo owner might think of a balcony as part of their unit, it could be an exclusive-use common element.

Every condo corporation is unique in the breakdown between units and common elements. If you are unsure about what constitutes a common element in your condo corporation, you can refer to your condo declaration.

Rights and Obligations of Owners

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Condo owners in Ontario have rights and obligations that you should be aware of before purchasing a unit:

Rights

- Attending and voting at owners' meetings;
- Seeking election to the condo board, if qualified under the Condo Act;
- Reviewing certain records of the condo corporation, such as certain financial statements and meeting minutes;
- Requisitioning an owners' meeting in certain circumstances;
- Using the common elements and amenities of the condo corporation in accordance with the Condo Act and the condo corporation's declaration, by-laws, and rules; and
- Requesting that an item be added to an owners' meeting agenda.

Obligations

- Complying with the Condo Act and the condo corporation's declaration, by-laws, and rules;
- Repairing and maintaining your unit in accordance with and subject to the Condo Act and the condo corporation's declaration and by-laws;
- Paying your common expense fees on time;
- Notifying the condo corporation if your unit is leased; and
- Attending and voting at certain meetings.

Click here for more information on condo ownership.

3.2 Condominium Governance

Board of Directors and Board Responsibilities

The board of directors of a condo corporation that is turned over is an elected group of people that is responsible for governing the affairs of the condo corporation. The board of directors will ideally play a critical role in supporting a positive, healthy condo community and ensure that the condo corporation and its assets are well managed and maintained.

The board has certain responsibilities such as:

- Setting the condo corporation's annual budget;
- Making most decisions about how the condo corporation will spend its money, including selecting contractors or service providers your condo corporation will work with;
- Hiring and overseeing the work of a condo manager (should your condo corporation decide to get a condo manager);
- Ensuring required maintenance and repairs are carried out;
- Hiring specialists, such as engineers, to conduct reserve fund studies;
- Proposing changes to the condo corporation's rules and/or by-laws;
- Giving various notices to owners; and
- Making decisions related to the condo corporation's finances.

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A condo's board is usually made up of owners in the condo corporation (but can include non-owners depending on the provisions of the condo corporation's by-laws). Directors are elected by the owners and serve for defined terms. Directors must seek re-election when their term expires if they want to remain on the board.

Duties of Directors and Required Disclosures

Board directors are responsible under section 37 (1) of the Condo Act to exercise their power or carry out their duties for the condo corporation with a standard of care. This means directors have a duty under the Condo Act to:

- Act honestly and in good faith; and
- Exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

A condo corporation may also have a code of ethics outlined in a by-law. A code of ethics will govern matters such as conflicts of interest, confidentiality, and standards of behaviour at board meetings.

Individuals looking to become directors (i.e. candidates) must meet disclosure requirements listed under section 11.6 of Ontario Regulation 48/01 as well as any such requirements listed in the by-laws of the condo corporation. To qualify as a candidate an individual must disclose, among other things:

- Whether the candidate (or their spouse, child or parent) is party to a legal proceeding in which the condo is also a party;
- Whether the candidate has, directly or indirectly, an interest in a contract or transaction that the condo corporation is a party to;
- If the candidate is a unit owner with common expense fees in arrears for 60 days or more; and
- Whether the candidate has been convicted of an offence under the Condo Act or under the regulations within the preceding 10 years, a statement of that fact and a brief general description of the offence.

A director is immediately disqualified if they do not meet certain disclosure obligations. In addition, directors may be disqualified if they meet any of the criteria listed in section 29(2) of the Condo Act (e.g., they have the status of bankrupt).

More information regarding director disclosure obligations can be found on the CAO website here.

For a full list of disclosure obligations, please see 11.10 of Ontario Regulation 48/01.

Election Process

Aside from the developer-appointed directors, and instances where an individual is appointed to the board by the existing directors, directors are elected by the owners at a meeting, such as a turn-over meeting, an annual general meeting, a requisitioned meeting, or a meeting called specifically for elections due to loss of quorum. Directors usually serve for three-year terms, but this period may be shorter, depending on a condo corporation's by-laws. Once their term is over, they must seek re-election to continue to act as a board member.

Requirements for Being a Director

Before a candidate can become a director, there are a few requirements that must be met. The candidate must:

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- Be an individual;
- Be at least 18 years old;
- Not have a status of bankrupt;
- Not have been found incapable of managing property;
- Not have been found incapable by a court; and
- Meet the required disclosure obligations, as mentioned above.

Once an individual becomes a director, they can be immediately disqualified from their position if, for example:

- They are bankrupt;
- They have been found incapable of managing property or found incapable by a court;
- They have a certificate of lien registered against their unit that has not been discharged within 90 days;
- They failed to complete the mandatory director training within six months; or
- They failed to comply with mandatory disclosure obligations.

Note that different condo corporations may have additional requirements for directors. You may wish to check your condo corporation's by-laws for more information.

Director Training Requirements

All directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program provided by the Condominium Authority of Ontario (CAO) within six months of their appointment, election, or re-election, and at least once every seven years. Director training is provided for free and is easily accessible online on the CAO website.

Directors who fail to complete the training within the six-month timeframe are immediately disqualified from their board and cease to be a director.

Although director training is mandatory for directors, director training is not just for condo directors. It is available to any individual and contains plenty of useful information regarding condo living and condo governance.

If you wish to know more about director training, please click here for more information.

Meetings and Quorum

Condo meetings can be divided into two types: owners' meetings and board meetings. The Condo Act requires that a minimum number of participants be present at meetings, which is called "quorum". Without quorum, voting cannot take place, however discussion on relevant business is still permitted. Note that a corporation may also be able to make by-laws with respect to meetings, including with respect to quorum and voting. For owners' meetings, owners can either attend in person or by proxy. For more information on proxies, see **Voting by Proxy and Voting Method** below.

Owners' meetings are meetings in which all condo owners are invited to attend. The following are the most common types of owners' meetings:

- **Annual General Meetings** (AGM) are annual meetings where the board has the chance to report to owners on matters such as the financial health of the condo corporation. The AGM

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also gives owners the opportunity to discuss matters that are relevant to the business of the condo corporation. The following items may be on the agenda at an AGM:

- Approval of the minutes of the previous AGM;
- Review of year-end audited financial reports;
- Selection of the condo corporation's auditor for the next fiscal year;
- Report of the board of directors regarding matters like past performance;
- Major upcoming projects (e.g., repairs or renovations), potential by-law changes and ongoing issues; and
- Election of directors.

The standard quorum for an AGM is the owners of 25% of the units. If the quorum is not reached on the first two attempts to hold the AGM, the quorum is reduced to 15% on the third and on any subsequent attempts unless the by-laws specify otherwise.

- **Owner-Requisitioned Meetings** are meetings that the board is required to call at the request of the owners of the condo corporation. All owners can attend. Some examples of why owner-requisitioned meetings may be called include:
  - Voting on a proposed rule;
  - Discussion of an emerging issue (e.g., the behaviour of owners, residents, or guests); or
  - The removal and replacement of a director before the expiry of that director's term.

  Information related to requisitioning a meeting of owners can be found under section 46 of the Condo Act. Other sections also may be relevant.

  More information on requisitioning a meeting can be found here.

- **Board Meetings** are meetings attended by the condo board to manage the affairs of the condo corporation. The only people who are entitled to attend board meetings are the directors, however, condo boards may invite individuals to attend board meetings as guests. A condo's board of directors can only conduct condo related business at a board meeting. Before any condo business can be conducted, the board must make sure there is a quorum of directors attending the board meeting. For board meetings, quorum is a majority of the total number of positions on the board. For example, if there are 3 positions on the board, quorum would be 2 board members in attendance at the board meeting.

Voting by Proxy and Voting Method

At owners' meetings, votes may be held regarding condo business.

Unless the Condo Act provides otherwise, at a meeting, votes may be cast by:

- A show of hands, personally or by proxy
- A recorded vote that is:
  - Marked on a ballot cast personally or by a proxy;
  - Marked on an instrument appointing a proxy; or
  - Indicated by telephonic or electronic means if the by-laws so permit.

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If you are an owner who cannot attend a meeting but still want to participate in decision-making, you can enable somebody who will attend the meeting to vote for you. This individual is called a proxy (who need not be an owner in your condo corporation). You can appoint a proxy by completing a legal document called a proxy form and giving the form to the proxy. You can create only one proxy per unit. If you co-own your unit, the proxy represents all owners of the unit.

A form is available on the CAO website which gives instructions on how to use a proxy, and how a proxy can vote in a meeting.

Notices

A condo corporation must provide various notices to owners to make owners aware of upcoming owners meetings. There are a variety of notices required under the Condo Act, such as:

- **Preliminary Notice of Meeting:** The Preliminary Notice of Meeting must be delivered to owners at least 20 days before a Notice of Meeting. The Preliminary Notice will, among other things, let owners know that a Notice of Meeting will be sent, state the purpose of the meeting, and, if applicable, request that individuals interested in being candidates for director positions notify the board in writing.

  More information about a Preliminary Notice of Meeting can be found by clicking here.

- **Notice of Meeting:** The Notice of Meeting must be delivered to owners in writing at least 15 days prior to the day of the meeting. A Notice of Meeting of owners will include the date, time, and place of the meeting. It must also identify the business to be discussed, among other things. No vote can take place on an item, other than routine procedure, that was not disclosed in the Notice of the Meeting.
  - If an owner wishes to receive notices electronically, they must provide an Agreement to Receive Notices Electronically form, and the condo corporation must have a statement of this method of receiving notices in the record of owners and mortgagees (unless the Condo Act provides otherwise).

  More information about the Notice of Meeting can be found on the CAO website here.

Information Certificates

Information Certificates help ensure that condo owners receive important information about the state of the condo corporation throughout the year. Information certificates can be broken down into three types:

- **Periodic Information Certificate (PIC).** Sent out twice per fiscal year to all owners (within 60 days of the end of the first quarter and 60 days of the end of the third quarter). Includes key information about the condo's board, finances, insurance, reserve fund, legal proceedings, and other matters.
- **Information Certificate Update (ICU).** Sent to owners if there are certain key changes before the next scheduled PIC (such as changes in the directors or officers of the condo corporation). To be distributed within 30 days of the change.

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- **New Owner Information Certificate (NOIC)**. Sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation. A NOIC covers the most recent PIC and any subsequent ICUs.

Condo corporations may be able to pass by-laws related to PICs and ICUs.

More information on Information Certificates can be found on the CAO website here.

Records Requirements and Process to Request or Examine Records

As a condo owner, you have the right to access certain records regarding how the condo corporation is managed. It is the condo board's duty to ensure that adequate records are kept and that they are retained for the legally required amount of time. If an owner wants to access certain records, they must use a Request for Records form. In their request, they can specify whether they wish to review records or request copies of records and they can indicate whether they would like electronic or paper copies.

As an owner, you may have the right to access:

- Your condo corporation's declaration, by-laws, and rules;
- The financial records of your condo corporation;
- The minute book containing the minutes of owners' meetings and the minutes of board meetings;
- A copy of the returns or notices of change that the condo corporation has filed with the CAO;
- All lists, items, records, and other documents from your condo corporation's turn-over meeting;
- A list of the names of the owners of each unit in the condo corporation and their address for service;
- All reserve fund studies and all plans to fund the reserve fund;
- All agreements entered by or on behalf of the condo corporation;
- All instruments appointing a proxy or ballots for a meeting of owners that are submitted at the meeting; and
- Other records as specified under the Condo Act, including in its regulations, or your condo corporation's by-laws.

More information about records can be found on the CAO website here.

3.3 Condominium Corporation Governing Documents

In addition to complying with all applicable requirements under the Condo Act, all owners, residents, employees of the condo corporation, guests and others must comply with the condo corporation's governing documents. It is very important that you read and understand a condo corporation's governing documents before purchasing a unit. If you are unfamiliar with the requirements set out in

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your governing documents, you may unknowingly cause issues, requiring the condo corporation to respond to enforce the provisions found in these documents. The governing documents include:

1. **The Declaration;**
2. **By-laws; and**
3. **Rules.**

The governing documents must be consistent with the Condo Act.

1. The **Declaration** is one of the foundational documents of the condo corporation. The declaration is often considered the constitution of the condo corporation and contains many important provisions. It will include:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The declaration may be changed with the consent of at least 80% or 90% of voting units depending on what the change is.

2. **By-Laws** describe how the condo corporation is to govern itself. The by-laws can be considered the administrative guide for the condo corporation. A condo corporation's by-laws often deal with a wide range of matters. For example, by-laws may govern:

- How directors are elected;
- How common expenses are collected; and
- When/how the condo corporation can borrow money.

By-laws must be both reasonable and consistent with the declaration, as well as the Condo Act. By-laws must be approved by the owners of a majority of the units, except where the Condo Act provides otherwise, and registered with the Land Registry Office.

3. **Rules** regulate the use of the units or common elements or assets in a condo corporation. The condo rules will dictate what individuals on the condo property can and cannot do. Rules must be reasonable and consistent with the declaration and by-laws, in addition to the Condo Act. Rules must either: promote the safety, security or welfare of the owners, property, or assets of the condo corporation; or prevent unreasonable interference with the use and enjoyment of units, common elements or assets. Examples may include:

- Restricting smoking, vaping and/or the growing of cannabis;
- Restricting short-term rentals; or
- Limiting the number or size of pets allowed in the building.

Upon making, amending or repealing a rule, the board shall give a notice of it to the owners that includes:

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- A copy of the rule;
- A statement of the date that the board proposed the rule will become effective;
- A statement which says that the owners have a right to requisition a meeting; and
- A copy of sections 46 and 58 of the Condo Act.

Owners who disagree with the rule may be able to requisition an owners' meeting regarding the rule and then have a vote during the meeting to prevent the changes to a rule(s) from being passed. If the owners do not requisition a meeting, the rule becomes effective the day after 30 days have passed since the board gave the owners notice of the rule. For more information on owner requisitioned meetings, please see section 3.2 of this Condo Guide.

More information about the declaration, by-laws, and rules can be found on the CAO website here.

3.4 Condominium Finances

Reserve Funds

A **reserve fund** is a fund that condo corporations use for major repair or replacement of common elements and assets as needed. The Condo Act requires that all condo corporations have a reserve fund. Adequate reserve funds and proper use of those funds are critical to maintaining the structural integrity of the condo corporation's property. Reserve funds may only be used for major repairs and replacements of the common elements and assets of the condo corporation. Condo corporations must collect contributions to the reserve fund from owners as part of their common expense fees. Condo corporations must complete reserve fund studies. Reserve fund studies are completed by certain specialists (e.g., engineers) and determine how much money needs to be in the fund to be able to pay for anticipated major repairs/replacements that will be needed in the future. Generally, after the first reserve fund study, reserve fund studies are completed/updated every three years.

More information about reserve funds and reserve fund studies can be found on the CAO website.

Common Expenses

Common expenses, which are typically described in the Condo Guide as "common expense fees" (also commonly known as condo fees or maintenance fees) are collected by the condo corporation under the Condo Act. In addition to including a contribution to the reserve fund as described above, common expense fees may be used to fund:

- The cost of maintenance to the common elements (e.g., standard elevator repairs, cleaning).
- The cost of your condo manager or management service provider.
- The condo corporation's insurance policies.
- Services, such as garbage or snow removal, landscaping, security etc.

As an owner, you are required under section 84 (1) the Condo Act to pay your share of common expense fees attributed to your unit. As per section 84 (3) of the Condo Act, you are obligated to pay your common expense fees even if:

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- You have waived or abandoned your right to use the common element(s);
- You have made a claim against the condo corporation; or
- The condo corporation's declaration, by-laws or rules restrict you from using the common element(s).

How are Common Expense Fees Calculated?

Condo boards make a budget every year which outlines various expenses for the fiscal year that are to be paid by the owners. The condo corporation's declaration will state the portion of the common expenses each owner is required to contribute, expressed as a percentage. The percentage may, but need not, relate to the size of your unit. The amount of common expenses you are required to contribute may fluctuate (e.g., increase) for various reasons (e.g., as the needs of the condo corporation change).

Section 56 (1) of the Condo Act also permits condo corporations to pass by-laws governing the assessment and collection of common expense fees.

Liens

If you as an owner default on your obligation to pay common expense fees, your condo corporation automatically has a lien on your unit. The lien will cover the unpaid amount owing as well as all interest, and all reasonable legal costs and expenses incurred by the condo corporation in its attempt to collect.

The condo corporation has three months from when the default occurred to register a certificate of lien, otherwise the lien will expire after three months of the default. At least ten days' notice is required to be provided to owners before the certificate of lien can be registered on title. Condo liens have priority over every other liability, including mortgages, subject to some exceptions, and may be enforced in the same manner as a mortgage.

Special Assessments

As described above, your condo corporation will create a budget for every fiscal year. Should there be a budget shortfall (i.e., where expenses exceed revenues), your condo corporation may levy a special assessment to cover expenses. A special assessment is an extra one-time charge added to your common expense fees.

Your board may need to levy a special assessment for unforeseen major expenses such as repairs related to flooding, costs related to legal proceedings, etc. Your condo corporation's by-laws may include provisions about special assessments.

Under section 84 of the Condo Act, you are required to pay your unit's share of the common expense fees, which may include special assessment fees. Your portion is calculated using the same percentage used to calculate your regular common expense fees.

More information about special assessments can be found on the CAO website here.

Chargebacks

A chargeback is an addition to an owner's common expense fees to reimburse the condo corporation for a cost it incurred. This is to ensure that certain expenses or costs incurred are not levied to all

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owners, particularly where they are not all responsible for the circumstances leading to the expense or cost.

Some chargebacks are specifically authorized by the Condo Act. For example, section 92 (4) of the Condo Act allows condo corporations to add repair costs to a unit's common expenses fees, where repairs were completed on an owner's behalf after they failed to complete them within a reasonable time. Condo corporations may also have provisions within their declaration that require owners to indemnify the condo corporation for certain costs, called an indemnification clause.

If an owner does not pay the chargeback, a lien will automatically be placed on the defaulting unit, just as would occur if the owner does not pay their regular common expenses on time. If the condo corporation registers a certificate of lien and the owner does not pay the lien in full (this is known as discharging the lien), the condo corporation has the ability to attempt to have the unit sold to cover the costs.

Condo Insurance

Under the Condo Act, condo corporations are required to obtain and maintain both property insurance and liability insurance.

- **Liability Insurance:** Under section 102 the Condo Act, condo corporations are required to obtain and maintain insurance against the liability resulting from a breach of duty as the occupier of the condo corporation's common elements or certain land as well as insurance against liability arising from the ownership and use of boilers, machinery, pressure vessels and motor vehicles.
- **Property Insurance:** Section 99 (1) of the Condo Act requires condo corporations to obtain and maintain insurance for damage to the units and common elements that is caused by certain major perils, including fire, smoke, lightning, windstorm, hail, or any other peril specified in the condo corporation's declaration or by-laws.

Standard Unit

A condo corporation's obligation to insure the units does not cover "improvements" made to units. Section 99 of the Condo Act states a condo corporation's obligation to insure against damage to units from major or other perils only includes what is called a "standard unit".

What constitutes a standard unit in your condo corporation is important as it not only outlines responsibility for property insurance coverage but also partly determines what the condo corporation or the condo owner is responsible for when dealing with repairs after damage.

For more information on where to find your condo corporation's definition of a standard unit, see section 3.5 of this Condo Guide - Living in Units and Using Common Elements.

Deductibles

According to section 105 (1) of the Condo Act, if an insurance policy obtained by the condo corporation has a deductible clause that limits the amount payable by the insurer, the condo corporation is responsible for paying the portion of a loss that is excluded from coverage, and that amount must be included in the common expenses.

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A single owner may be responsible for paying a deductible if a claim to the condo corporation's insurer arose due to the owner's (among others) action or inaction. In this case, the lesser of the deductible limit or the actual cost of the repairs must be charged back to that owner's unit. For more information on chargebacks, please see section 3.4 of this Condo Guide.

Your condo corporation may also have an insurance deductible by-law that would extend the circumstances in which an owner would be responsible for paying for a property insurance deductible. Common examples of extended circumstances could include:

- Where the owner, occupant, or guest of the unit, through an act or negligence causes the insured damage; and/or
- Where the insured damage is caused by accident (i.e., where no one is at fault).

3.5 Living in Units and Using Common Elements

Units vs. the Common Elements

For a description of what a common element is and what an exclusive use common element is, please refer to section 3.1 of this Condo Guide. As noted in section 3.1, common elements are elements which may not be for the exclusive use of a particular unit owner.

In a condo corporation, typically owners own their individual unit(s) and collectively share ownership of and expenses for the common elements (e.g. roof, hallways, elevators, pool).

What is considered part of a "unit" and what is considered part of the "common elements" will be outlined in the condo corporation's declaration and description. Schedule C of the declaration contains this information for most types of condo corporations, and more, as explained below. In addition, the Condo Act includes information about what is a unit vs. a common element. The term "common elements" generally means all the property except the units.

Understanding the breakdown between a unit and the common elements is important when considering repair and maintenance obligations, condo insurance, and making changes to your unit.

Repair and Maintenance Obligations

Section 89 (2) of the Condo Act requires that, subject to the Condo Act and a condo corporation's declaration:

- Condo corporations are responsible for repairing damage to both the common elements and units. This obligation to repair does not include any improvements made to units.

- Unit owners are responsible for maintaining their units (i.e., upkeep and repairing after normal wear and tear) and condo corporations are responsible for maintaining the common elements (e.g., parking, gardens, hallways, elevators, amenities, etc.).

The following documents, together with the Condo Act, are notable when it comes to figuring out repair and maintenance responsibilities:

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1. Schedule C. Schedule C (within your condo corporation's declaration) typically will outline unit boundaries and therefore clarify repair and maintenance responsibilities, especially in unclear areas (e.g., plumbing, electrical, areas behind drywall, etc.).

2. Standard unit by-law. A standard unit by-law or, if none, a schedule provided by the developer, will detail which components of a unit are the "standard unit" and therefore the responsibility of the condo corporation to repair.

Also, section 91 of the Condo Act allows condo corporations to alter these repair and maintenance obligations in their declaration. This means that when determining who is responsible for repairs or maintenance it is necessary to review your condo corporation's declaration. Note, there are some different repair and maintenance requirements under the Condo Act for different types of condo corporations (e.g., vacant land condo corporations).

Making Changes to Your Unit

A condo corporation's declaration, by-laws, and rules may contain rules about making modifications to your unit or common elements (such as requiring notice to the board, restrictions on design, décor, materials to be used, restriction on days or times when renovations are permitted, etc.). You may wish to review these requirements, as well as applicable requirements under the Condo Act, before considering changes to your unit.

Modifications to the Common Elements by Owners

Changes to the common elements (e.g., exterior walls) by owners generally will require board approval. Section 98 of the Condo Act states that an agreement (often referred to as a section 98 agreement) must be entered into between the condo corporation and the owner specifying, for example:

- The allocation of cost of the proposed modification between the owner and the condo corporation; and
- The respective duties and responsibilities of the owner and condo corporation for the costs of repairs after damage, maintenance, and insurance of the modification.

The board may approve a proposed modification, and there will be no requirement to provide notice to other owners if the modification is to an exclusive use common element, and the board is satisfied that the modification will not:

- Have an adverse effect on units owned by other owners;
- Give rise to any expense to the corporation;
- Negatively impact the appearance of buildings on the property;
- Affect the structural integrity of buildings; or
- Contravene the declaration or any prescribed requirements.

Right of Entry

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Section 19 of the Condo Act provides condo corporations, or a person authorized by the condo corporation, the right to enter units to perform the objects and duties or to exercise the powers of the condo corporation. They can only do so after providing reasonable notice to the owner of the unit.

Examples of when condo corporations may typically seek to enter units include:

- To perform maintenance and repairs to the common elements;
- To perform routine inspections on things such as smoke detectors; and
- To ensure compliance with the Condo Act and the condo corporation's declaration, by-laws, and rules.

Your condo corporation will also have the right to enter units in the case of an emergency, such as a fire or water leak, without any reasonable notice.

3.6 Condominium Management

Condo corporations, while not required to, may decide to hire a condo manager or a condo management company to oversee the condo corporation's day-to-day operations. Condo managers act on behalf of the condo corporation and are directed by the board of directors. A condo manager's range of responsibilities may include:

- Creating and maintaining records for the condo corporation;
- Responding to owner complaints;
- Coordinating the maintenance and repair of the property;
- Hiring and monitoring the performance of service providers;
- Preparing draft annual budgets and monitoring the reserve fund;
- Issuing meeting notices; and
- Organizing board meetings and overseeing administration of all owners' meetings.

Under section 17.0.1 of the Condo Act, condo corporations cannot enter into agreements with a condo manager or management company unless they are licensed through the Condominium Management Authority of Ontario (CMRAO). For more information about the CMRAO, see section 4.2 of this Condo Guide.

For more information on the CMRAO, you can visit their website by clicking here.

Part 4: Resources for Issues Resolution

4.1 Raising Issues with your Condominium Board

Occasionally, issues can arise with condo living. There are several options that may be available to condo owners who have concerns with their board of directors or condo corporation generally. Before raising any issues, you may wish to consult the governing documents of your condo corporation as

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some condo corporations may have specific protocols for raising issues. When raising issues, you may wish to consider the following:

1. **Writing a Letter to the Board**

   You may wish to contact your board to request formal consideration of your concern if you are experiencing a condo-related issue that you wish to raise with the board. Within the letter or email it is helpful to provide as much detail as possible about the issue.

   The CAO also has email and letter templates for writing to your board, available on the CAO website by clicking here.

2. **Requisitioning a Meeting of Owners**

   Owners may be able to requisition a meeting to discuss certain issues. For example, owners may be able to requisition a meeting to discuss:

   - The removal and replacement of a director before the expiry of that director's term;
   - A proposed new rule or change or repeal of an existing rule; and
   - The discussion of any emerging issue (e.g., a board decision).

   For more information on meetings in general, see section 3.2 of this Condo Guide.

   For more information regarding the requisitioning of meetings, please click here.

3. **Raising Issues at an AGM**

   An AGM provides another opportunity to bring up issues regarding the condo corporation and condo business to the board and other owners. Owners may be able to raise their concerns at their AGM. Section 45(3) of the Condo Act states that owners may raise any matters for discussion in the AGM, as long as they are relevant to the affairs and business of the condo corporation.

4. **Seeking Legal Advice**

   If a particular issue cannot be resolved through any of the above options, you may wish to consider seeking legal advice.

   If you require legal advice, you may wish to contact a lawyer or paralegal familiar with condo law. The names of lawyers or paralegals may be obtained from the Law Society of Ontario Referral Service. They may provide a free consultation of up to 30 minutes.

Additionally, you may wish to consider reviewing the CAO's Issues and Solutions page for additional information on common issues associated condo living.

4.2 The Condominium Authority of Ontario

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The CAO is a not-for-profit organization designated by the Ontario government to administer delegated provisions of the Condo Act and its regulations. The CAO's role is to support condo living by providing services and resources for condo communities and the general public. These include:

- Offering information about condo living to condo owners, residents, and other members of the public;
- Administering mandatory training for condo directors;
- Hosting and providing access to several mandatory and optional condo forms;
- Maintaining the CAO's Public Registry, which contains and displays information filed with the CAO through returns and notices of change; and
- Overseeing an online dispute resolution forum - the Condominium Authority Tribunal (CAT).

The CAT is an online tribunal that is authorized to resolve certain disputes primarily between condo corporations and owners. Part I.2 of the Condo Act and related regulations, including Ontario Regulation 179/17, set out certain provisions related to the CAT's jurisdiction.

Currently, the CAT resolves certain disputes relating to:

- the retention of and access to condo records.
- condo corporation governing document provisions about:
    - vehicles;
    - pets or other animals;
    - parking and storage; and
    - indemnification or compensation of the condo corporation, owner or mortgagee related to the above-noted governing document disputes.

For more regarding the CAT, its function, and its jurisdiction, click here.

4.3 Condominium Management Regulatory Authority of Ontario

The Condominium Management Regulatory Authority of Ontario (CMRAO) is a not-for-profit corporation that is responsible for administering provisions under the Condominium Management Services Act, 2015 (CMSA), including by licensing condo managers and management providers. The CMRAO:

- Ensures that condo managers and condo management companies are licensed, meet education standards, and comply with a code of ethics, among other requirements.
- Maintains a list of licensed condo managers and condo management providers.
- Promotes awareness of the condo management regulatory system and enforces compliance with the CMSA.

Handling Complaints

If you think your condo's manager or management service provider is in violation of the CMSA you can submit a complaint to the CMRAO. If the registrar of the CMRAO receives a complaint about a licensee, the registrar may do any of the following, as appropriate:

- Attempt to mediate or resolve the complaint;

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- Give the licensee a written warning;
- Require the taking of further educational courses;
- Refer the matter, in whole or in part, to the discipline committee;
- Propose to suspend, revoke, or add conditions to a licence;
- Propose to refuse to renew a licence; or,
- Take further action as is appropriate in accordance with the CMSA.

More information about making a complaint can be found on the CMRAO's website here.

4.4 Compliance and Enforcement Mechanisms

Responsibility to Comply with the Condo Act

Section 119 of the Condo Act provides that the condo corporation, owners, directors, officers, employees, mortgagees, developer and occupants are all required to comply with the Condo Act as well as the condo corporation's declaration, by-laws, and rules.

Section 17 (3) of the Condo Act provides that condo corporations have a duty to take all reasonable steps to ensure that owners, occupiers, lessees, agents and employees of a condo corporation comply with the Condo Act, the declaration, the by-laws and the rules. Additionally, section 119 (2) of the Condo Act provides that owners are obliged to take all reasonable steps to ensure occupants and visitors of their unit also comply with the Condo Act, the declaration, the by-laws, and the rules.

Mediation, Arbitration, and Compliance Orders

Under section 132 of the Condo Act, certain disputes must be resolved through mediation or arbitration. Condo corporations may also have provisions in their declaration or by-laws establishing a procedure for resolving certain disputes and compliance.

To resolve certain disputes between an owner and the condo corporation, the first step would be mediation, and then arbitration, if required.

As per section 134 of the Condo Act, certain compliance disputes may be resolved through an application to the Superior Court of Justice, including if the mediation and arbitration process has failed to solve the issue. Condo corporations, owners, occupants of a proposed unit, and developers are all entitled to apply as set out in that section; however, it is recommended to talk to a lawyer or paralegal if considering any legal action.

Please note that sections 132 and 134 of the Condo Act do not apply to disputes that may be brought to the CAT.

Offences Under the Condo Act

Sections 136.1 and 137 of the Condo Act set out provincial offences under the Condo Act that the Ministry of Government and Consumer Services (Ministry) administers. If you have information about conduct you believe may constitute an offence under section 136.1 or section 137 of the Condo Act, you may provide that information to the Ministry.

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You can file the information by clicking here.

The Ministry will review the information and determine if compliance or enforcement action would be appropriate. Please note that not every complaint will lead to compliance or enforcement action.

Section 136.2 of the Condo Act sets out provincial offences under the Condo Act which are administered by the CAO. If you have information about conduct that you believe may constitute an offence under section 136.2 of the Condo Act, you may provide that information to the CAO.

Part 5: Glossary of Key Terms

Addendum: The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to.

Agreement of Purchase and Sale: The Agreement of Purchase and Sale contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations as seller (as applicable), the unit, and the condo construction project.

Annual General Meeting: Annual owners' meeting where the board of directors presents to the owners on the financial health of the condo corporation and other business.

Board Meetings: Meetings attended by board members to manage the affairs of the condo corporation.

By-laws: By-laws are part of the condo corporation governing documents. By-laws govern how a condo corporation operates. By-laws can cover topics such as: the size of your condo board, the process for electing directors, and the format of board meetings. By-laws must be consistent with the declaration and the Condo Act as well as reasonable.

Chargebacks: Charges that are added to the amount of a unit owner's common expense fees. This may happen, for example, due to a condo corporation handling an owner's maintenance obligations or where a condo corporation incurs certain court costs in a legal proceeding against an owner to enforce compliance.

Common Elements: All condo property except units.

Common Elements Condominium: A condo corporation that creates common elements but does not divide the land into units. Owners purchase land tied to part of a common element condo corporation in which they also have an ownership interest (such as a shared road, ski hill or golf course) and pay common expense fees.

Common Expense Fees: The amount of money that an owner contributes in the proportions specified in the declaration. These go towards paying expenses (operating and reserve), including for, among other things, the maintenance and upkeep of the condo corporation's common elements.

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Condo Corporation: A legal entity that comes into existence when a declaration and description are registered with the Land Registry Office. All units and common elements are part of a condominium corporation, and condominium corporations are governed by boards of directors on behalf of owners.

Condo Manager: An individual licensed by the Condominium Management Regulatory Authority of Ontario who is hired by a condo corporation to oversee a condo corporation's day-to-day operations. Condo managers are accountable to the board of directors of the condo corporation.

Condominium Act, 1998 (Condo Act): The Condo Act provides a legal framework that enables condo owners and their elected board of directors to make decisions about the governance of a condo corporation.

Condominium Authority Tribunal (CAT): an online tribunal administered by the Condominium Authority of Ontario that is authorized to resolve certain disputes primarily between condo corporations and owners.

Condominium Management Services Act (CMSA): The CMSA provides a framework for regulating condo managers and condo management providers and requires that they be licensed to provide condo management services in Ontario.

Cooling Off Period: Ten-day period within which buyers of pre-construction condos have the right to rescind, or cancel, a purchase agreement they have signed, for any reason whatsoever. Begins on the later of the date the buyer received the disclosure statement, a copy of this Condo Guide, and the copy of the agreement of purchase and sale.

Declarant: The owner of the land where the condo corporation is being established. *Note that, for ease-of-understanding, the Condo Guide sometimes uses the term "developer" in many places in place of the term "declarant", which is used in the Condominium Act, 1998. The Ontario New Home Warranties Plan Act also uses the terms "vendor" and "builder".

Declaration: Governing document that contains important information about the condo corporation, such as the percentage that the unit owner must contribute to the common expenses and a breakdown of the responsibilities for repairing and maintaining the units and common elements.

Description: The description defines the units and the common elements and specifies the boundaries between them.

Declarant-Controlled Board: A condo corporation board including directors appointed by the declarant (i.e. the developer).

Delayed Occupancy: When a unit buyer is unable to take possession of the new residential unit by the firm or outside occupancy dates contained in the Addendum to a purchase agreement.

Director / Board of Directors: The individuals who are appointed or elected to manage the affairs of the condo corporation. Directors are responsible for making important decisions and serve for terms of up to three years.

Director Training: Training program provided by the Condominium Authority of Ontario. All condo directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program within six months of their appointment, election, or re-election. Directors do not have to take the training if they have completed the program within the previous seven years.

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Disclosure Statement: A document that your declarant must provide when you purchase your unit from them or someone benefiting them, and which includes important information about your unit and the condo corporation (proposed or registered).

Exclusive Use Common Elements: Are common elements that specific unit owners/occupiers have exclusive use of (e.g., a balcony connected directly to a single unit).

Governing Documents: A condo corporation's declaration, by-laws, and rules.

Information Certificates: Information Certificates help to ensure that owners receive ongoing information about their condo corporation throughout the year. There are three types: Periodic Information Certificates, Information Certificate Updates, New Owner Information Certificates.

Information Certificate Updates: are information certificates which include information on certain key changes before the next scheduled Periodic Information Certificate (such as changes in the directors or officers of the condo corporation). These are to be distributed within 30 days of the change.

Interim Occupancy: When a buyer takes occupancy of their unit before the condo corporation has been registered with the Land Registry Office, and before ownership is transferred to the buyer. The duration of the interim occupancy is called the interim occupancy period, and during that period the buyer is required to pay occupancy fees.

Interim Occupancy Fee: The amount that a buyer is required to pay the declarant during the interim occupancy period.

Interim Occupancy Period: The period from your interim occupancy date to the date ownership is transferred to you.

New Owner Information Certificates: Information certificates which are sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation.

Notices: Notices are documents containing information that an individual is entitled to receive as a unit owner. Notices will be delivered to you in either hardcopy or digitally (if the condo corporation and owner agree to electronic delivery or if that is otherwise permitted).

Owners' Meetings: Meetings which all owners are invited to. Includes annual general meetings, owner-requisitioned meetings, turn-over meetings, and meetings called by the board regarding the transaction of any condo business.

Owner-Requisitioned Meetings: Meetings requested by the owners to discuss/vote on a specific topic, such as the removal of a director or voting on a rule proposed by the board of directors.

Periodic Information Certificates: Information certificates which focus on the condo corporation's board, finances, insurance, reserve fund, legal proceedings, and other matters.

Phased Condominium: A condominium that is built and registered in phases. Once the construction is complete, it becomes a standard condominium.

Quorum: The law requires that a minimum number of owners be present (either in person or by proxy) at a meeting. Without quorum, voting cannot take place, however discussion on relevant business is still permitted.

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Reserve Fund: A fund condo corporations save and use to handle the larger financial burdens, for major repair or replacements of common elements and assets as needed.

Reserve Fund Study: Determines how much money needs to be in the reserve fund to ensure the major repairs/replacements can be paid for in the future. The reserve fund study must be prepared by a specialist, like an engineer. The board of directors approves the study, then informs owners of the results of the study.

Rules: Rules are part of the condo corporation's governing documents. Rules exist for the protection of those living in the condo corporation as well as the protection of the assets of the condo corporation itself, and to prevent unreasonable interference with the use and enjoyment of the units, common elements, and assets of the condo corporation. Rules must be consistent with the Condo Act and the declaration and by-laws of the condo corporation as well as reasonable.

Special Assessment: An extra one-time charge added on top of an owner's common expense fees.

Standard Condominium: The most common type of condo corporation in Ontario, where the condo corporation is made up of units and common elements.

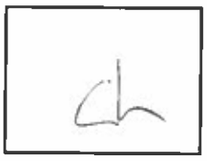
Statement of Critical Dates: The Statement of Critical Dates can be found in the Addendum to your purchase agreement. The Statement contains the dates you can expect to take occupancy of your unit, as well as other important information.

Status Certificate: A document that anyone can request from a condo corporation and which contains important information about the unit and condo corporation.

Turn-Over Meeting: The meeting held by the declarant-controlled board within 42 days of the declarant ceasing to own a majority of the units. At this meeting, the owners will elect a new board and the declarant-controlled board will turn over several items to the new owner-elected board.

Vacant Land Condominium: A type of condo corporation in which the units may be vacant lots at the time of purchase, and the condo corporation may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.

Initials of Purchaser(s)



Appendix “D5”

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AURORA MILLS
BUSINESS PARK

Block 5, Unit I10

AGREEMENT OF PURCHASE AND SALE

1.01 **Agreement to Purchase**

The undersigned Le Huang (in trust for a company to be incorporated) (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being Block 5, Unit number I10, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of [redacted] thirty (30) days after the date of the Purchaser's execution of this Agreemen,t, which sum equals 5 % of the Purchase Price;

(c) the sum of [redacted] sixty (60) days after the date of the Purchaser's execution of this Agreement, which sum, equals 5% of the Purchase Price;

(d) the sum of [redacted] by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5% of the Purchase Price; and

(e) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be _____ (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: Industrial (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

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DATED at Markham, this 1 day of Feb, 2022. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

SIGNED, SEALED AND DELIVERED in the presence of (Witness)		Date of Birth	
	PURCHASER	1970/10/11 YY/MM/DD	531389518 Social Insurance No.
	PURCHASER	YY/MM/DD	Social Insurance No.

Purchasers' Address:
1 Richard Person Drive,
Markham, Ontario,
L6C 1B1

Purchaser's Telephone Numbers:

Home: (416-816-8685)

Business: (_____)

Fax: (_____)

E-mail: le_huang@yahoo.com

Purchasers' Solicitor:

Name:

Address: _____

_____

Tel: _____ Fax: _____

2352107 Ontario Inc.

Per: DocuSigned by: 2/3/2022
9644580GFC6E4CC...
Name:

I have authority to bind the Corporation.

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: **Aaron M. English**
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

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AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.

Demising Walls:

- 6 Inch concrete block walls from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 25 feet, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Steel exit door with metal frames and vendor standard hardware.
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code. Concrete topper throughout mezzanine area.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

Warehouse Area:

- Heating will be provided by a gas forced air hanging unit, suitable for size of warehouse area as determined by Vendor engineers and consultants.

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Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

DS

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AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

THE UNDERSIGNED, being the Purchaser of the Unit described as Block 5, Unit I10, (the "**Unit**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated January 7th, 2022 and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

Witness	Purchaser
Witness	Purchaser

Dated at Markham, this 1 day of Feb, 2022.

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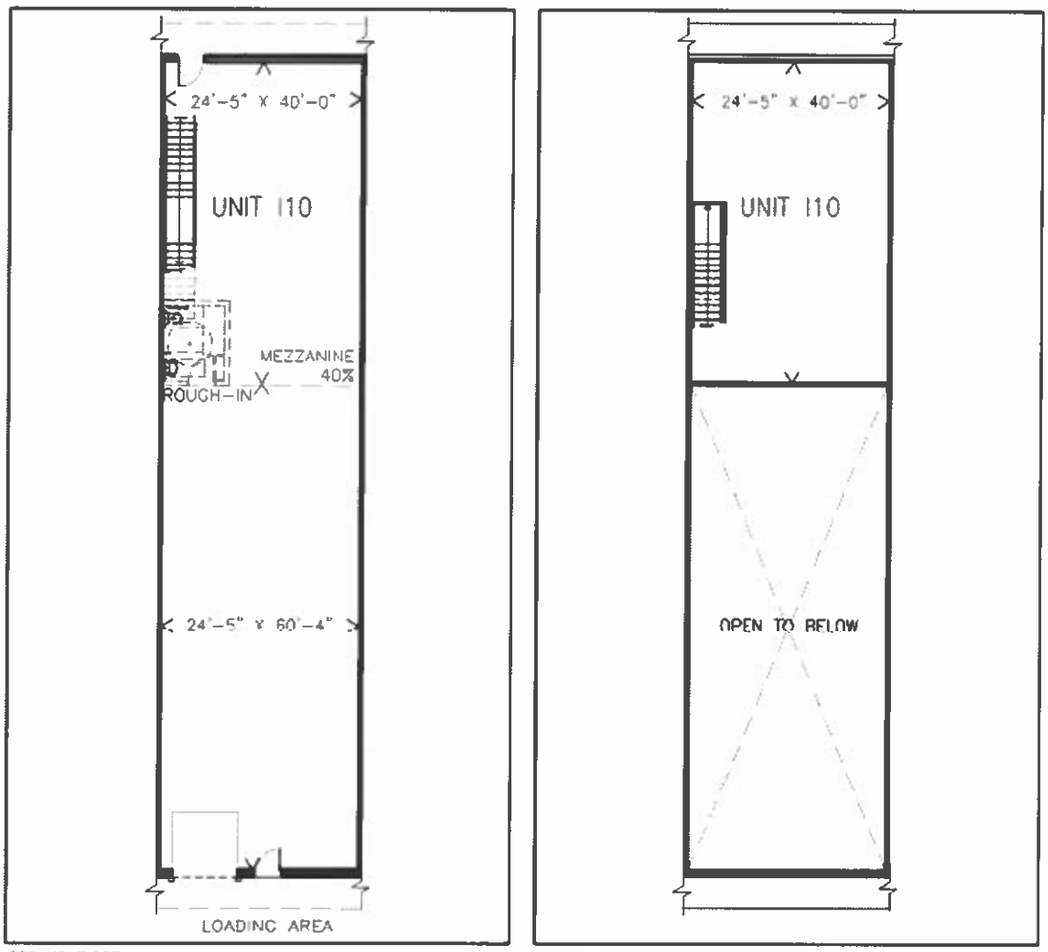
AURORA MILLS
BUSINESS PARK

SCHEDULE "D"
TO AGREEMENT OF PURCHASE AND SALE

Floor Plan – Block 5, Unit I10



GROUND FLOOR

MEZZANINE

BUILDING "I" – BLOCK 5
UNIT I10
3,583.562 SQ.FT.

HAVEN
DEVELOPMENTS

PURCHASER SIGNATURE: JM

PURCHASER SIGNATURE:

VENDOR SIGNATURE:

DocuSigned by:
96445806FC6E4CC...

DATE: 2/3/2022

SHEET 1 OF 2 SHEETS

DRAFT PLAN OF STANDARD CONDOMINIUM ON BLOCKS 5 AND 6 REGISTERED PLAN 65M- TOWN OF AURORA REGIONAL MUNICIPALITY OF YORK

SCHAEFFER DZALDOV BENNETT LTD.

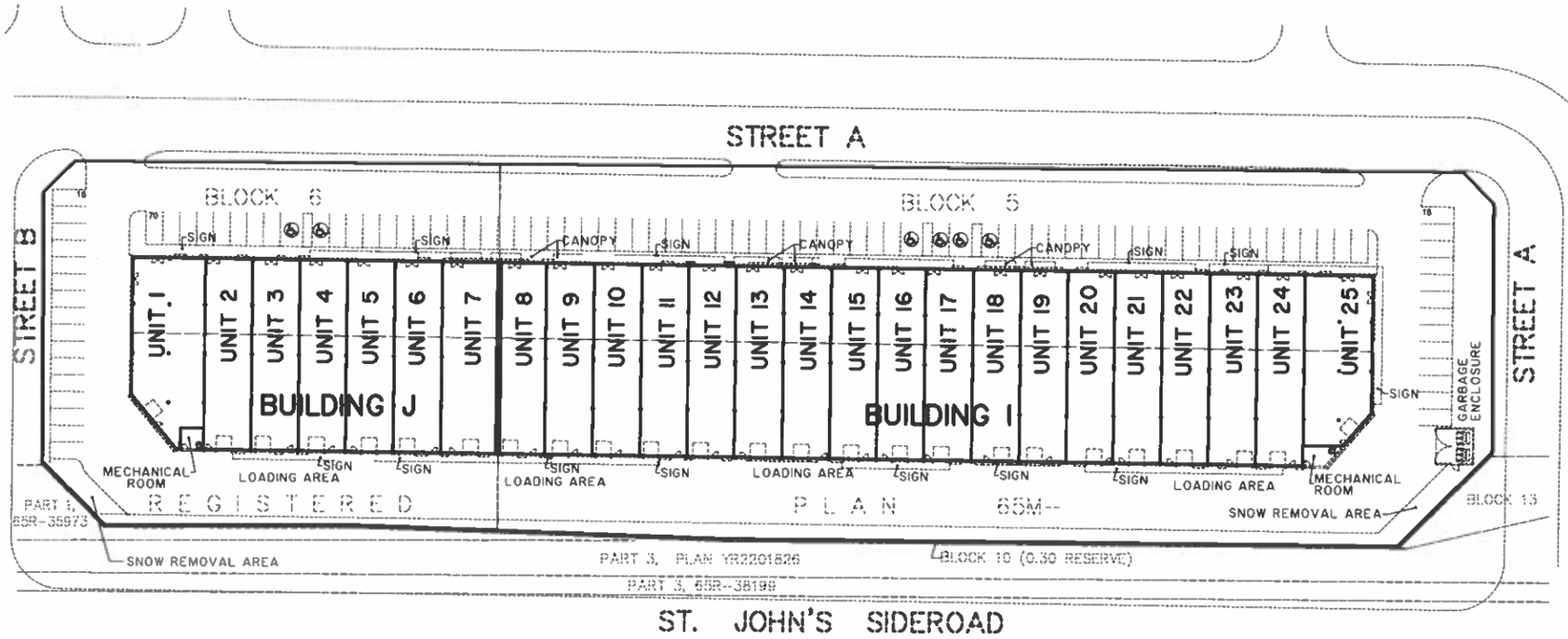


DIAGRAM ILLUSTRATING THE CONFIGURATION OF THE GROUND FLOOR PORTIONS OF UNITS 1 TO 25, BOTH INCLUSIVE ON LEVEL 1 (GROUND FLOOR)

ADDITIONAL INFORMATION REQUIRED UNDER SECTION 51 (17) OF THE PLANNING ACT

SEE BELOW
SEE PLAN
APPLICANT HAS NO INTERESTS IN THE ADJACENT LANDS
COMMERCIAL CONDOMINIUM UNITS
SEE PLAN
SEE PLAN
SEE PLAN
PIPED WATER
CLAY LOAM
SPOT ELEVATIONS
FULLY SERVICED
SEE PLAN, KEY PLAN

LAND USE

TOTAL UNITS & TYPE:
25 - UNITS
PARKING SPACES: 102 SPACES (INCLUDING 6 ACCESSIBLE)

OWNER'S CERTIFICATE

I AUTHORIZE SCHAEFFER DZALDOV BENNETT LTD O.L.S. TO PREPARE THIS CONDOMINIUM DRAFT PLAN.
2352107 ONTARIO INC.

DATE : _____ _____
JORDAN TEPERMAN A.S.O.

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THE BOUNDARIES OF THE LANDS TO BE SUBDIVIDED AND THEIR RELATIONSHIP TO THE ADJACENT LANDS ARE CORRECTLY SHOWN.

DATE : _____ _____
OPHIR N. DZALDOV
ONTARIO LAND SURVEYOR

SCHAEFFER DZALDOV BENNETT LTD.
ONTARIO LAND SURVEYORS
64 JARDIN DRIVE CONCORD, ONTARIO L4K 3P3 TEL.(416)-987-0101

DRAWN: SL		JANUARY 10, 2022	JOB No. 20-720-00A

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SHEET 2 OF 2 SHEETS

DRAFT PLAN OF
STANDARD CONDOMINIUM ON
BLOCKS 5 AND 6
REGISTERED PLAN 65M-
TOWN OF AURORA
REGIONAL MUNICIPALITY OF YORK
SCHAEFFER DZALDOV BENNETT LTD.

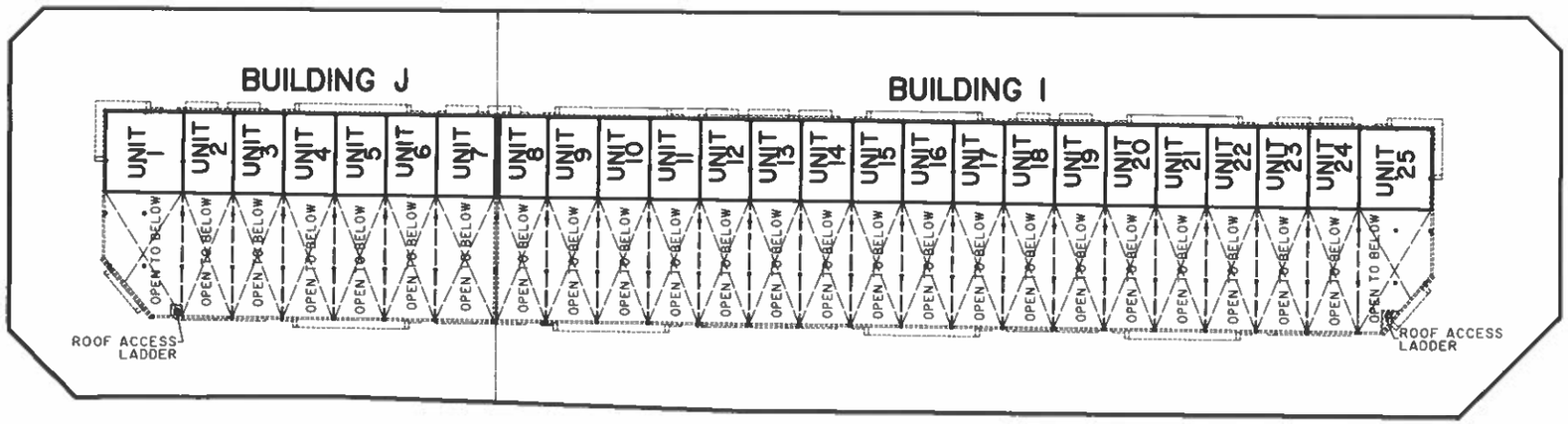

DIAGRAM ILLUSTRATING THE CONFIGURATION OF
THE MEZZANINE FLOOR PORTIONS OF UNITS 1 TO 25, BOTH INCLUSIVE
ON LEVEL 1 (MEZZANINE FLOOR)

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SCHAEFFER DZALDOV BENNETT LTD.
ONTARIO LAND SURVEYORS
64 JARDIN DRIVE CONCORD, ONTARIO L4K 3P3 TEL.(416)-987-0101

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AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act, 1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the loading and service areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) **"Lands"** or **"Property"** shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M- _____, currently being parts of PIN Nos. 03620-1629 and 03620-1632 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

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the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

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for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia,* the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

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accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld or delayed. The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet. Both parties acknowledge and agree that this section 2 (e)(iv) and the Occupancy Agreement apply only to the occupancy period and shall be void and unenforceable once the transaction is closed.

(v) The Vendor shall have the right to enter the Unit at all reasonable times (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of electricity in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s) or utility provider(s) selected by the Vendor in the form required by such utility monitor(s) or utility provider(s) as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s) or utility provider(s) prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

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responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

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and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule "B" attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or

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otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) in the Vendor's sole and absolute subjective discretion. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be;

(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of ten thousand ($10,000.00) dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's

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Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the

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Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee, plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) feet high and twenty (20) feet wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

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(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

5. **No Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the **"ONHWPA"**) and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA.

The Purchaser acknowledges and agrees that other than the Vendor's obligation to complete the Unit in a good and workmanlike fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage,

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twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

6. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend

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personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

7. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

8. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

9. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park

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area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "Development Agreements");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium, including, without limitation, the restrictions relating to Exclusivity Rights as more particularly set out in this Agreement and in the Condominium Documents;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

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(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is

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not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 9 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 9 or to evidence the survival of the terms herein set out.

10. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

11. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) (i) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(ii) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced

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by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

12. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

13. **Adjustments and HST**

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor's contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor's option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

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(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads;

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area;

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs (collectively, the "**Levies**") incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority, and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor;

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up

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fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor's solicitor's reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

(w) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the leasing of the generator(s) and/or boiler(s) for the Condominium prior to registration of the Declaration and Description; and

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto.

If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor's solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor's solicitor, by way of certified cheque(s) drawn on a solicitor's account and made payable to the Vendor's solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and other services attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith

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upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

14. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

15. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

16. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser's only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and

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which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

17. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

18. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

19. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

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(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser's Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 19 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits an amount apportioned to the Unit and the Purchaser on account of the Vendor's legal fees relating to such termination and the return of the Purchaser's deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance (but in any case not less than $10,000) as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall

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be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

20. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

21. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

22. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

23. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

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In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

24. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser's expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor's consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor's solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser's solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor's solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser's solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor's solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor's Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor's solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

25. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor's tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in

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writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

26. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

27. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

28. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

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Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5, with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

29. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

30. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

31. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

32. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 4:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser

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shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

33. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future development agreements affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such acknowledgements or amendments forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

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(b) The Purchaser expressly acknowledges that at the date of execution of this Agreement, draft plan and/or site plan approval pursuant to the provisions of the Planning Act, R.S.O. 1990 (the draft conditions) as amended may not yet have been obtained with respect to the Condominium. The Purchaser further acknowledges that the draft conditions and any Development Agreements may contain warnings, and other provisions which are required to be included in agreements of purchase and sale for units in the Condominium. The Purchaser covenants and agrees to execute any and all documentation, including an amendment to this Agreement, as may be required by the Vendor, and in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement, and acknowledged by the Purchaser.

(c) Without limiting the generality of the preceding subparagraph, the Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs,

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illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor's operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John's Sideroad) and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor's construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser's successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of

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such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other problems, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(w) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

34. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

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35. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

36. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

37. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

38. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

39. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

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(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium, and will not violate any of the Exclusivity Rights in favour of certain units in the Condominium as described above.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

40. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser covenants and agrees to provide to the Vendor, forthwith upon request by the Vendor, all identity and other information required by the Vendor in order to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000 as amended, as well as the Financial Transactions and Reports Analysis Centre of Canada. In addition, for the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Unit, 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 residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information, 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

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entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

(a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, as well as other future condominium declarants 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 condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(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 condominiums 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, and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, 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 Unit and the installation of upgrades ordered or requested by the Purchaser and agreed to by the Vendor;

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

(h) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);

(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(1)(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 the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the condominium corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

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

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

41. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement

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is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

42. **Purchaser Selling or Assigning**

The Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

43. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

Appendix “D6”

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AURORA MILLS
BUSINESS PARK

Unit(s) I13 & I14

AGREEMENT OF PURCHASE AND SALE

1.01 **Agreement to Purchase**

The undersigned Anthony James Whyte Holdings Inc. (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being number(s) I13 & I14, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of [redacted] upon waiver of conditions, which sum equals 5 % of the Purchase Price;

(c) the sum of [redacted] sixty (60) days after waiver of the Buyers Conditions, which sum, equals 5% of the Purchase Price;

(d) the sum of [redacted] by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5% of the Purchase Price; and

(e) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be _____ (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: Industrial (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

DATED at_____, this_____day of 5/13/2022, 2022. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

Anthony James Whyte Holdings Inc.

Per: _____
Name:
Title:

DocuSigned by:
Mandy Kelly-Koshurba
DA10E8FB933447A...

Per: _____
Name: Mandy Kelly-Koshurba
Title: Controller
I/We have the authority to bind the corporation

Purchasers' Address:

2770 Plymouth
Road, Oakville,
Ontario

_____

Purchaser's Telephone Numbers:

Home: (289-804-3250)

Business: (_____)

Fax: (_____)

E-mail: (mandy@gologistics.net)

Purchasers' Solicitor: _____

Name: _____

Address:
Tel: _____ Fax: _____

2352107 Ontario Inc.

DocuSigned by:
Paolo Abate
96445806FC6E4CC...

Per: _____
Name: Paolo Abate
Title: ASO
I have authority to bind the Corporation.

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: Aaron M. English
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

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AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.

Demising Walls:

- 6 Inch concrete block walls from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 25 feet, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Steel exit door with metal frames and vendor standard hardware.
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

Warehouse Area:

- Heating will be provided by a gas forced air hanging unit, suitable for size of warehouse area as determined by Vendor engineers and consultants.

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Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

Initials of Purchaser(s)

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AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

THE UNDERSIGNED, being the Purchaser of the Unit described as Unit(s) I13 & I14, (the "**Unit**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated _____ and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

DATED at _____, this _____ day of 5/13/2022, 2022.

Anthony James Whyte Holdings Inc.

Per: _____
Name:
Title:

DocuSigned by:
Mandy Kelly-Koshurba
DA10E8FB933447A...

Per: _____
Name: Mandy Kelly-Koshurba
Title: Controller
I/We have the authority to bind the corporation

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AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act*, *1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the loading and service areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) "**Lands**" or "**Property**" shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M- _____, currently being parts of PIN Nos. 03620-1629 and 03620-1632 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

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the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

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for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia*, the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

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accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld or delayed. The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet, regardless of whether or not the Vendor provides the requested consent;

(v) The Vendor shall have the right to enter the Unit at all reasonable times (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of electricity in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s) or utility provider(s) selected by the Vendor in the form required by such utility monitor(s) or utility provider(s) as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s) or utility provider(s) prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

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responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

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and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule “B” attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or

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otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) in the Vendor's sole and absolute subjective discretion. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be;

(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of ten thousand ($10,000.00) dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's

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Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the

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Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee**,** plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) inches high and twenty (20) inches wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

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(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

5. **No Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the "**ONHWPA**") and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA.

The Purchaser acknowledges and agrees that other than the Vendor's obligation to complete the Unit in a good and workmanlike fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage,

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twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

6. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend

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personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

7. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

8. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

9. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park

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area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "Development Agreements");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium, including, without limitation, the restrictions relating to Exclusivity Rights as more particularly set out in this Agreement and in the Condominium Documents;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

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(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is

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not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 9 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 9 or to evidence the survival of the terms herein set out.

10. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To-take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

11. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) (i) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(ii) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced

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by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

12. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

13. **Adjustments and HST**

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor’s contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor’s option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

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(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads;

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area;

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs (collectively, the "**Levies**") incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority, and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor;

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up

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fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor’s solicitor’s reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

(w) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the leasing of the generator(s) and/or boiler(s) for the Condominium prior to registration of the Declaration and Description; and

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto.

If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor’s solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor’s solicitor, by way of certified cheque(s) drawn on a solicitor’s account and made payable to the Vendor’s solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and other services attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith

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upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

14. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

15. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

16. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser’s only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor’s reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and

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which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

17. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

18. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

19. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

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(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser’s Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 19 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits an amount apportioned to the Unit and the Purchaser on account of the Vendor’s legal fees relating to such termination and the return of the Purchaser’s deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance (but in any case not less than $10,000) as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall

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be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

20. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

21. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

22. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

23. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

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In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

24. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser’s expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor’s consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor’s solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser’s solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor’s solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser’s solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor’s solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor’s Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor’s solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

25. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor’s tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in

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writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

26. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

27. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

28. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

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Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5**,** with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

29. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

30. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

31. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

32. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 4:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser

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shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

33. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future development agreements affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such acknowledgements or amendments forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

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(b) The Purchaser expressly acknowledges that at the date of execution of this Agreement, draft plan and/or site plan approval pursuant to the provisions of the Planning Act, R.S.O. 1990 (the draft conditions) as amended may not yet have been obtained with respect to the Condominium. The Purchaser further acknowledges that the draft conditions and any Development Agreements may contain warnings, and other provisions which are required to be included in agreements of purchase and sale for units in the Condominium. The Purchaser covenants and agrees to execute any and all documentation, including an amendment to this Agreement, as may be required by the Vendor, and in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement, and acknowledged by the Purchaser.

(c) Without limiting the generality of the preceding subparagraph, the Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs,

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illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor’s operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John’s Sideroad) and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor’s construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser’s successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser’s successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser’s successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of

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such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other problems, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(w) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

34. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

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35. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

36. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

37. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

38. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

39. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

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(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium, and will not violate any of the Exclusivity Rights in favour of certain units in the Condominium as described above.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

40. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser covenants and agrees to provide to the Vendor, forthwith upon request by the Vendor, all identity and other information required by the Vendor in order to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000 as amended, as well as the Financial Transactions and Reports Analysis Centre of Canada. In addition, for the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Unit, 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 residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information, 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

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entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

(a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, as well as other future condominium declarants 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 condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(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 condominiums 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, and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, 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 Unit and the installation of upgrades ordered or requested by the Purchaser and agreed to by the Vendor;

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

(h) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);

(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(1)(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 the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the condominium corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

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

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

41. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement

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is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

42. **Purchaser Selling or Assigning**

The Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

43. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

Initials of Purchaser(s)

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Ontario's Residential Condominium Buyers' Guide

Last Updated: November 6, 2020

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Ontario's Residential Condominium Buyers' Guide - Using the Condo Guide

Purpose

According to section 72 (1) of the Condominium Act, 1998 (the "Condo Act"), Ontario's Residential Condominium Buyers' Guide ("the Condo Guide") prepared by the Condominium Authority of Ontario (CAO) is required to be provided to buyers of residential pre-construction/new condo units by the declarant ("developer") when buyers are purchasing from the developer or a person acting on behalf of or for the benefit of the developer. Purchasers of resale residential condo units may also wish to review the Condo Guide.

This Condo Guide has been approved by the Minister of Government and Consumer Services.

The purpose of the Condo Guide is to provide condo purchasers in Ontario with information and resources to make a more informed decision when purchasing a residential condo unit ("unit").

Under section 73(2) of the Condo Act, purchasers have a 10-day cooling off period in which they may rescind their agreement of purchase and sale. This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale and your disclosure documents and the Condo Guide. The CAO recommends that you carefully review the disclosure statement, agreement of purchase and sale, and the Condo Guide within the 10-day period.

The Condo Guide can be found below, commencing on page three with the table of contents, and will be updated from time-to-time. To confirm that you have the most up-to-date version, please visit the CAO website at www.thecao.ca.

Important Information Regarding Governing Documents

To make sure a particular condominium corporation ("condo corporation") is right for you, you may wish to read a condo corporation's existing or proposed governing documents, as applicable, before purchasing a unit. Information describing these governing documents, which consist of **1) the declaration; 2) the by-laws; and 3) the rules** is provided in the Condo Guide in Sections 1.1 and 3.3.

These documents, along with the rest of the disclosure statement (including the budget statement), and the agreement of purchase and sale, contain important information about what you are buying, and what you will need to pay for etc. This information may impact your decision to purchase a unit. If you have questions about the information contained in these documents, you may want to seek help from a legal professional.

Key Information for Buyers of Pre-Construction Residential Condo Units

To find information about buying a unit from a developer, you should review the following sections of the Condo Guide:

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- Introduction
- Part 1.1: Before You Buy a Pre-Construction Condominium Unit
- Part 1.2: Buying a Pre-Construction Condominium Unit
- Part 1.4: Additional Considerations
- Part 2: Moving into a Pre-Construction Condominium Unit

For more information on rescission of agreements of purchase of sale within the 10-day cooling off period, please visit Part 1.2 of the Condo Guide.

Key Information for Buyers of Resale Residential Condo Units

To find information about buying a unit from an existing owner (i.e. a 'resale condo' that is not sold by the developer), you should review the following sections of the Condo Guide:

- Introduction
- Part 1.3: Buying a Resale Condominium Unit

Key Information for Condominium Owners

To find information about condo living and governance that may be helpful before or after your condo purchase, you should review the following sections of the Condo Guide:

- Part 2.3: Tarion and the Ontario New Home Warranties Plan Act
- Part 3: Condo Living
- Part 4: Resources for Issues Resolution

Next Steps

Given the importance of this buying decision and the many factors to the condo purchase process, along with your expectations for condo living, it is important that you carefully review the condo corporation's governing documents, the rest of the disclosure statement (including the budget statement), the agreement of purchase and sale, and this Condo Guide. Also, the CAO is encouraging condo owners to subscribe to our email list to receive important email updates from the CAO. You can subscribe by either clicking here.

Additional information on the above can also be found on the CAO's website at www.thecao.ca.

You may also wish to consider seeking legal advice for any questions or concerns that you may have.

Please note that the material in the Condo Guide should not be interpreted as legal advice.

This Condo Guide has been approved by the Minister of Government and Consumer Services and is intended to apply to the purchase of new and pre-construction residential condominium units beginning on January 1, 2021.

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Ontario's Residential Condominium Buyers' Guide

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Introduction

What is a Condominium?

When most people hear the word “condo” they may think of a single residential tower or maybe a townhouse, but what “condo” really refers to is a specific kind of real estate ownership structure that involves shared ownership of common elements and community decision making. This means that a condo could resemble a park, parking lot, or even an empty field. If you are considering purchasing property in a condo corporation, it is important to understand upfront that condo living involves shared ownership and therefore a responsibility to your community.

Unlike when you own a traditional house, when you purchase a condo you become part of a condo community and become responsible for paying your share of the common expenses and complying with the condo corporation’s governing documents, among other things. You will also be able to participate in condo governance by, for example, voting for directors.

A “condo” is also a type of corporation. A condo corporation is responsible for making decisions about the condo property on behalf of the owners. A condo corporation may also get a condo manager/management services provider to help manage the property and the affairs of the corporation on the corporation’s behalf. The condo property is described in certain documents that must be completed and officially registered to establish the condo corporation. Those documents specify how the land is divided into units and common elements, as applicable. The owner of the land where the condo corporation is being established arranges for those documents to be registered with a Land Registry Office. That owner is known as a “declarant”, who may be the developer of the land. The condo owners (e.g., unit buyers) are the members of the condo corporation. The Condo Act sets out rights and responsibilities related to the management of a condo, including rights and responsibilities of condo owners and condo boards.

Condo corporations are created for many different uses including for residential, commercial, industrial, or mixed-use purposes.

Different Kinds of Condominiums

The Condo Act outlines various types of condo corporations. There are two main categories of condo corporations: freehold and leasehold. Freehold condos are condo corporations where the condo property is owned by the condo owners. Leasehold condos are condo corporations on leased land. Owners have a leasehold interest in units and common elements but do not own the land. Under the Condo Act, there are **four** different types of freehold condos:

1. Standard Condominium

- The most common type of condo corporation in Ontario.
- Has individual units.
- May include common elements, which often include areas such as a foyer, exterior walls, and amenities (e.g., pools, gardens).

2. Phased Condominium

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- A condo corporation that is intended to be built and registered in phases.
- New units and common elements are constructed and added to the condo corporation.
- Upon completion, a phased condo corporation becomes a standard condo corporation.

3. Vacant Land Condominium

- The units may be vacant lots at the time of purchase, and the layout of the lands may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.
- The developer can sell the lots as vacant or build (e.g., homes) on the lots and sell the lots with buildings on them.

4. Common Elements Condominium

- There are no units in this type of condo corporation. Instead, ownership is of a common interest in the common elements of the condo corporation by a separate parcel of land that is "tied" to the common elements corporation.
- Owners purchase a part of a common elements. Examples include shared roads, golf courses, or ski hills.

Leasehold Condominium

- Developed on land that is leased for a term between 40 and 99 years.
- Common expenses include a portion of the rent payable to the landowner.
- Once the lease expires, the owners' rights to occupy their units are automatically terminated.
- Leasehold condo corporations may be less common in Ontario.

It is important to note that the Condo Act has some different requirements for different types of condo corporations.

Part 1: Buying a Condominium Unit

1.1 Before you Buy a Condominium Unit

One of the most important steps you can take before you buy is to educate yourself and get the help you need to make an informed decision. Consulting this Condo Guide is a good start, but it is also important to seek legal advice before you buy. Buying a condo is a complex process and involves reviewing lengthy and sometimes difficult-to-understand documents. Seeking legal advice is the best way to ensure you are making an informed decision.

Reviewing a condo corporation's governing documents provides an opportunity to learn important information about the condo corporation you are considering. The information found in a condo corporation's governing documents may be key to your enjoyment of your unit and could have an impact on your buying decision. For more information on governing documents, including the 1) the declaration; 2) the by-laws; and 3) the rules**,** see section 3.3.

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Researching builders is another important step you may wish to take before purchasing a pre-construction unit. It is important to ensure that the builder you plan to buy a unit from is licensed by Tarion (Ontario's new home warranties and protections administrator – for more information see section 2.3 of this Condo Guide).

Tarion's Ontario Builder Directory is a useful resource for confirming the status of the builders before you buy. Please note that the Ontario Builder Directory will be available through The Home Construction Regulatory Authority (HCRA) starting in early 2021.

The HCRA is an independent, not-for-profit corporation that is preparing to potentially be designated as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If a regulatory authority is designated, Tarion would cease to provide this function, subject to potential exceptions during transition. At this time, it is expected that the future regulatory authority would be operational in early 2021.

1.2 Buying a Pre-Construction Condominium Unit

Documents to Review

Along with reviewing the information in this Condo Guide, it is important to review and fully understand the information in the following documents that are generally required to be provided to purchasers by developers:

1. **Pre-construction Agreement of Purchase and Sale**

The agreement of purchase and sale, sometimes referred to as the purchase agreement, contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations, the unit, and the condo construction project. You may wish to review this document carefully with a legal professional.

2. **Tarion's Information Sheet for Buyers of Pre-Construction Condominium Homes about the Possible Termination of Purchase Agreement**

All buyers of residential units in a standard or phased pre-construction condominium project where the first arm's length purchase agreement for the project was signed on or after January 1, 2020 must be given an information sheet that includes an outline of the possible risks of buying a unit in a pre-construction condominium project, in addition to other information (e.g., the estimated occupancy date for your unit and the status of construction).

3. **Tarion Addendum**

The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to. Information contained in the Tarion Addendum includes the delayed occupancy warranty provided by the builder, in accordance with the Ontario New Home Warranties Plan Act. The Tarion Addendum also contains a Statement of Critical Dates and early termination conditions that apply to the

agreement. In a disagreement or dispute about information contained within the agreement of purchase and sale and the Tarion Addendum, the Tarion Addendum prevails over the agreement of purchase and sale document and any other attachments to the extent of any conflict or inconsistency.

4. **Disclosure Statement**

Another very important document to review and understand is the disclosure statement which the builder is required to provide to condo buyers who buy directly from the developer or a person acting for the developer's benefit. This is required under section 72 of the Condo Act. Your agreement of purchase and sale is not binding on you as a buyer until you receive the disclosure statement and this Condo Guide from the developer.

The disclosure statement includes a lot of important information, including but not limited to:

- A copy of the existing or proposed declaration, by-laws, and rules for the condo corporation.
- A summary of the agreements to be entered into by the builder before the turn-over meeting, including agreements for condo management services and services like repairs and landscaping, and
- A copy of the budget statement for the first year after registration of the condo corporation.

It is important to carefully review the disclosure statement, consult with a legal professional about it and ensure that you do not have any outstanding questions.

Deposits

Generally, under the Condo Act, funds received by the builder of a condo project must be held in trust. This includes deposits and certain other payments covered by the purchase agreement.

If a project is terminated, the builder is generally required under the Tarion Addendum to refund all monies paid, plus interest, if any, calculated in accordance with the Condo Act (for information on the interest rates, see section 19 (3) of Ontario Regulation 48/01 under the Condo Act).

If the money is not refunded, then buyers may be able to make a claim to Tarion under the *Ontario New Home Warranties Plan Act*. Deposits and other payments by residential condo buyers are protected under the *Ontario New Home Warranties Plan Act* for up to a maximum of $20,000.

For more information about deposit protection, please click here.

Cooling Off Period and Rescission of Agreement

Section 73 of the Condo Act provides you as a buyer with a cooling off period of 10 days to consider whether you want to proceed with the purchase. Section 73 allows you to rescind the purchase agreement by notifying the developer of your wish to do so within the 10-day cooling off period.

This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale executed by the declarant and the purchaser and your disclosure documents and Condo Guide. Within the 10-day cooling off period, you have the right to rescind or cancel the purchase agreement that you have signed for any reason whatsoever. Generally, you should also be refunded, without penalty or charge, all money deposited toward the purchase price, along with any applicable

interest (for information on the interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

Additionally, the Condo Act provides for a further rescission right where there is a material change in the disclosure statement. If there is a material change (i.e. an important change that would have caused a reasonable buyer to no longer want to proceed with the purchase, had that information been included in the disclosure received by the purchaser), then you may be able to rescind or cancel your purchase agreement during an additional 10-day cooling off period. This 10-day cooling off period starts from the later of:

1. the date that the declarant has delivered a revised disclosure statement or a notice to you confirming the material change;
2. the date that you otherwise become aware of the material change; or
3. the date that the Ontario Superior Court of Justice has determined that a material change has occurred.

Occupancy Dates & Delayed Occupancy

A page of the Tarion Addendum within your agreement of purchase and sale contains a Statement of Critical Dates which must be signed by both the condo buyer and the builder. The Statement of Critical Dates sets out when the builder expects to finish the unit and the latest dates for permitted extensions. You should review these dates closely including the firm occupancy date and the outside occupancy date.

Note that condo construction can sometimes be delayed, which means you may not be able to take occupancy of your unit on the anticipated occupancy date set out in the agreement. This is called delayed occupancy.

Your new home warranty coverage includes delayed occupancy coverage in certain circumstances. Details on the delayed occupancy warranty are provided in the Tarion Addendum in your agreement of purchase and sale.

For more information about occupancy dates and delayed occupancy warranty, visit Tarion's webpage.

Condo Cancellations

Pre-construction condo projects can sometimes be cancelled even after you have made a deposit on your purchase. This is because there are many stages in building a condo that may remain to be completed after you have made a deposit. The Tarion Addendum forming part of your purchase agreement must set out any conditions that may result in the condo not proceeding and therefore the potential termination of the purchase agreement. In these cases, it is the vendor who would terminate the agreement.

These conditions may include, but are not limited to:

- Failure to sell enough units,

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- Inability to secure financing for the project, or
- Delays in obtaining the required building or planning approvals.

It is important for you to be aware of the potential conditions when you are thinking of entering the purchase agreement. Buyers may wish to review the Tarion Addendum for identification of early termination conditions applicable to their purchase agreement.

In most cases, if a condo project is cancelled, buyers are entitled to get their deposit back, plus any accrued interest, if applicable. The Condo Act also provides for interest to be paid based on an interest rate calculation (for more information on those interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

For more information on condo cancellations, please click here.

1.3 Buying a Resale Condominium Unit

Purchasing a resale unit involves buying a unit from the current owner rather than from the developer. If you are thinking of buying a resale unit, it is important to do your research on the unit and condo corporation before making any decisions and consult a legal professional. **Before purchasing a unit, you may wish to consider the following:**

- **The status of the reserve fund and age of the building.** A reserve fund is required to ensure that the condo corporation has enough money to pay for major repairs and replacement of the common elements and assets of the condo corporation. It is important to note if the building will require any significant repair, maintenance or updating with its age and the plan for addressing those issues. You should consider the health of the reserve fund and review what is your responsibility to repair and maintain.
- **Common expenses**. This is the amount unit owners pay toward the operation of the condo corporation (e.g., security costs, cleaning costs, etc.) and contributions to the reserve fund. It is important to incorporate common expense fees into your budget when considering purchasing a condo. Common expense fees may change over time depending on the needs of the condo corporation.
- **The units and common elements**. The size, layout, and boundaries of the unit and the common elements generally will not change. You may wish to consider what is your responsibility to repair and maintain. For more information on units and common elements, see section 3.5 of this Condo Guide.
- **Amenities.** Consider that, in general, all the owners must pay for the common elements, regardless of whether you use them or not.
- **Litigation.** It is important to be aware of any litigation against the condo corporation or that the condo corporation is a party to, as owners generally will be responsible for the costs. If the condo corporation cannot cover the costs with the operating fund, a special assessment (an extra one-time charge added to an owner's common expenses) may be required. You can

learn about on-going litigation by requesting a status certificate from the condo corporation, which is described in the next section.

- **New Home Warranty Information.** You may wish to consider whether the unit is still covered by any remaining new home warranties and protections under the *Ontario New Home Warranties Plan Act*. There are three different warranty periods that cover different types of defects, the longest of which is seven years. The maximum statutory coverage available is $300,000. More information about new home warranties and protections can be found on the Tarion website. To check the status of your home's warranty you may wish to contact Tarion by phone (toll free) 1-877-982-7466 or via e-mail at ismyhomecovered@tarion.com.

Documents to Review

- **The condo corporation's governing documents.** You will be required to abide by your condo corporation's declaration, by-laws, and rules. For more information see section 3.3 of this Condo Guide.
    - The declaration is the foundational document of the condo corporation and includes, among other things, the proportion which each unit owner contributes to common expenses and the repair and maintenance responsibilities of owners vs. the condo corporation. The declaration may also include information about how units and common elements can or cannot be used. The existing or proposed declaration will be included in the disclosure statement you receive from the developer when purchasing a pre-construction/new condo.
    - The by-laws may lay out how the condo corporation governs itself and how the condo corporation operates (e.g., some of the requirements for electing directors).
    - The rules may govern what the owners and occupants can and cannot do in their specific condo community in certain circumstances (e.g., for safety reasons).

- **Status Certificates.** A status certificate is an important document for purchasers of resale condos containing information about a specific completed condo unit and the condo corporation to which it belongs. Any person can request a status certificate for a unit from a condo corporation. A condo corporation can charge up to $100 (including all applicable taxes) for the status certificate. The condo corporation must provide the status certificate within 10 days of receipt of the request and payment for it.

  Status certificates are particularly important for prospective buyers of resale units because they contain important information, such as:

    - A copy of the condo corporation's current declaration, by-laws, and rules.
    - A copy of the budget for the current fiscal year, the last annual audited financial statements and the auditor's report.
    - A statement of the most recent reserve fund study.
    - A statement of the common expenses for the unit and whether the unit is in arrears of payment.
    - If the common expenses for the unit have increased since the current year's budget was prepared, a statement of the increase and the reason.

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- If an assessment has been charged against the unit since the current year's budget was prepared, a statement of the assessment and the reason.
- The address for service for the condo corporation (e.g., the address where the condo corporation receives mail).
- The names and addresses for service for the directors and officers of the condo corporation.
- A certificate of insurance for each of the current insurance policies.
- Information about certain legal issues that may affect the condo corporation (e.g., whether there are outstanding legal judgments against the condo corporation, or if the condo corporation is involved in any ongoing litigation).

You can also access key information on any condo corporation in the province through the CAO's Public Registry. You may wish to consider speaking to a legal and/or real estate professional when considering purchasing a resale condo and before signing any documents.

1.4 Leasing Your Unit

Leasing out a condo unit is an option that many condo owners use at some point during their time as a condo owner, however, there are special considerations that you must keep in mind if you choose to lease out a condo unit. In Ontario, the *Residential Tenancies Act, 2006* outlines the rights and responsibilities of landlords and tenants who rent residential properties. The *Commercial Tenancies Act* applies to leasing commercial properties.

It is the responsibility of the unit owner to ensure that the renter abides by the condo corporation's declaration, by-laws, and rules. Additionally, a unit owner must, within 10 days of entering the lease or the renewal of the lease, provide the renter with these documents. Section 83 (1) of the Condo Act requires that an owner also notify the condo corporation that the unit has been leased within the same timeframe, and provide the renter's name, the unit owner's address and a copy of the lease or renewal or a summary of the lease or renewal. A form is available on the CAO's website which will allow you to easily communicate this information to a condo corporation.

If you plan on leasing your unit you must also be aware of restrictions that the condo corporation's governing documents may place on owners in relation to leases. For example, the condo corporation could have minimum terms for unit leases to prevent the units in the condo corporation from being used as short-term rentals.

Part 2: Moving into a Pre-Construction Condominium Unit

2.1 Interim Occupancy

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Interim occupancy occurs in pre-construction condo projects when the developer/builder lets the buyer take occupancy in the unit before the declaration has been registered and the title can be transferred to the buyer. During interim occupancy, you cannot make mortgage payments until the condo corporation is registered.

As your building nears completion, your developer/builder will advise you of your interim occupancy date. On the interim occupancy date, you can live in your unit, but it is important to note that you do not own it yet. Ownership of your unit can only be transferred to you once the condo corporation has been registered.

During the interim occupancy period, you will be required to pay the developer/builder an interim occupancy fee, regardless of whether you move into the unit or not.

The interim occupancy fee cannot be more than the total of:

- The interest (calculated monthly) on the unpaid balance of the purchase price at the prescribed interest rate;
- The estimated monthly municipal taxes for the unit; and,
- The projected common expense fees for the unit.

For additional information regarding interim occupancy, click here.

2.2 Creating the Condominium Corporation

Condominium Registration Process

Condo corporations are created when the developer registers the declaration and description with the Land Registry Office. Some registration requirements vary by the type of condo corporation being proposed (e.g., phased, common elements etc.).

The declaration and description are legal documents that contain fundamental information about the condo corporation and the property. The proposed or existing declaration must be included in the disclosure statement provided to you by your developer. You may wish to review this carefully.

The **declaration** will contain information such as:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The **description** defines the units and the common elements and specifies the boundaries between them. The description will contain information such as:

- A survey showing the boundaries of the property;

- Diagrams showing the shape and dimensions of each unit; and
- Specification of the boundaries of each unit and what is considered part of the common elements.

The Condo Act requires developers to take all reasonable steps to finish construction and register the condo corporation without delay.

More information about the declaration and description as well as your condo corporation's other governing documents can be found in section 3.3 of this Condo Guide, or by clicking here.

Declarant-controlled boards

*Please note that, for ease-of-understanding the Condo Guide uses the term "developer" throughout in place of the term "declarant", which is used in the Condominium Act, 1998. This section will use both as the term "declarant-controlled board" is used often in materials related to pre-construction and new condo projects.

Within ten days after the condo corporation has been registered, **the declarant (who is generally your developer/builder)** is required to appoint at least three individuals to make up the condo corporation's first board of directors. This first board is called the declarant-controlled board. The declarant-controlled board is responsible for carrying out all normal board duties until the declarant ceases to own a majority of the units in the condo corporation. For example, the declarant-controlled board may propose or make by-laws and rules. More information about condo boards and condo board duties can be found in section 3.2 of this Condo Guide.

Once the declarant ceases to own a majority of the units, the declarant-controlled board is required to call a meeting of the owners to elect a new board within 21 days. The meeting must then be held within 21 days of being called, meaning that the meeting must occur within 42 days of the declarant no longer owning a majority of the units. This meeting is called a turn-over meeting.

Turn-over Meetings

The turn-over meeting is an important meeting for the condo corporation because the turn-over meeting must cover two important items:

- The turn-over of important documents from the declarant (i.e. generally your developer or builder) to the condo corporation, and
- The election of the first owner-controlled condo board of directors.

The declarant is responsible for turning over important documents at the turn-over meeting such as:

- The condo corporation's minute book (a minute book is the primary record of a condo corporation's meetings);
- The condo corporation's declaration, by-laws, and rules;
- Agreements already entered into on the condo corporation's behalf;

The declarant must turn over other important information within 30 days of this turn-over meeting, such as:

- All financial records of the condo corporation and of the declarant for the condo corporation from the date of registration onwards;

- A copy of any reserve fund studies conducted to date (if any); and
- A copy of the most recent disclosure statement.

Within 60 days after the turn-over meeting, the declarant must also turn over audited financial statements.

Additionally, at the turn-over meeting, unit owners will vote for new board members. For certain requirements related to a turn-over meeting, see section 43 of the Condo Act.

First-Year Budget

According to section 72 of the Condo Act, the declarant (i.e. generally your developer or builder) is responsible for preparing, and including in the disclosure statement, the first-year budget (also referred to as the budget statement) which covers the one-year period immediately following the registration of the declaration and description. Information included in the first-year budget should include, among other things:

- The projected common expenses for the condo corporation;
- The particulars of the type, frequency, and level of services to be provided;
- The projected costs of the performance audit;
- The projected monthly common expense contribution for each type of unit;
- The projected cost of the first reserve fund study; and
- The costs of preparing the audited financial statements.

Overall, the first-year budget is meant to give you a good idea of the expenses you can expect to pay in addition to the cost of buying your unit.

Additionally, section 75 of the Condo Act requires that the declarant be accountable for the first-year budget. After receiving the audited financial statements for the period covered by the first-year budget, the board has 30 days to compare the actual expenses with the first-year budget prepared by the declarant. If there is a shortfall (i.e., there are less funds projected based on the first-year budget than the actual first year expenses), the declarant may be responsible for the shortfall.

2.3 Tarion and the Ontario New Home Warranties Plan Act

What is Tarion?

Tarion is an independent not-for-profit corporation with responsibility for administering the *Ontario New Home Warranties Plan Act*, including warranties and protections claims. Until early 2021, Tarion also serves the function of licensing new home builders and vendors.

For more information on Tarion, please visit their website by clicking here.

What is The Home Construction Regulatory Authority?

The Home Construction Regulatory Authority (HCRA) is an independent, not-for-profit corporation that is preparing to potentially be designated by the Ontario government as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If the HCRA is

designated, Tarion would cease to regulate builders and vendors, subject to potential exceptions during transition. Tarion would remain responsible for warranty administration. At this time, it is expected that the future regulatory authority would be operational in early 2021.

For more information on the HCRA, please visit their website by clicking here.

New Home Warranties Plan Act and Coverage

Tarion's legal responsibilities and mandate come from the *Ontario New Home Warranties Plan Act*. In Ontario, all new residential condos are required to be enrolled in the Ontario new home warranty and protection program, administered by Tarion. If you purchase a new condo and there are warrantable defects (e.g., construction issues, unfinished work, etc.), you can report these to Tarion and your builder. If your builder does not fix the defects, Tarion may provide warranty assistance, if the item is warrantable. Be sure to visit the Tarion website for a breakdown of new home warranty and protection coverage and more information.

For more information about new home warranty coverage click here.

Information for purchasers of units in residential condominium conversions is available here.

The common elements of most condos are also covered by Tarion's warranties. If a common element requires warranty coverage, the condo corporation will address the issue (rather than any one individual owner). Section 44 of the Condo Act requires that between the six- and ten-month mark following the registration of the declaration, the board must appoint an engineer or architect to conduct a performance audit. This audit must be submitted to Tarion which will allow the corporation to make claims regarding issues with the common elements. If the corporation does not file in time, it will be impossible to make claims under the Tarion warranty program. It is common that the condo board directors appoint an individual to manage this process on behalf of the board.

To access more information on the common elements warranty process, please click here.

Pre-Delivery Inspection

A very important step for identifying potential issues or deficiencies is the pre-delivery inspection (PDI). A PDI is your chance to raise issues you notice with your new condo, such as incomplete construction, a damaged area, or an element of poor workmanship of the unit.

During the inspection, the builder of the condo will take you to inspect the new unit and may demonstrate the internal systems (such as air conditioning) of your unit. If you identify a defect during your PDI, your builder should note it on the PDI Form to establish that it existed prior to closing and thus was something not caused by you. It is your builder's responsibility to list these items and provide you with a copy of the completed PDI Form.

The PDI form is an important document, as it will be the official record of the state of your home before you move in, so keep your copy in a safe place. However, the PDI form is not an official warranty form and any items that are not corrected by the time you move in need to be listed on a 30-Day or Year-End Form.

Builder Registration/Licensing

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Under the *Ontario New Home Warranties Plan Act*, all new home builders and vendors must be registered with Tarion and enroll their homes in the Ontario new home warranty and protection program.

In early 2021, the Home Construction Regulatory Authority (HCRA) is expected to be designated as the new regulator for new home builders and vendors. As the regulator of new home builders and vendors upon designation, the HCRA would be responsible for receiving and responding to any licensing related inquiries or complaints regarding a builder or vendor. Tarion would remain responsible for any warranty-related inquiries or complaints.

Until early 2021, Tarion will maintain an Ontario Builder Directory of all new home builders and vendors. Buyers of new homes are encouraged to check the Ontario Builder Directory to ensure their builder or vendor is registered with Tarion.

In addition, the Ontario Builder Directory includes information about condominium projects retroactive to January 1, 2018, including cancelled condominium projects and the status of each condominium project (i.e., completed, in progress or cancelled).

If the HCRA is designated by the Ontario government as the new regulator for new home builders and vendors, the HCRA would become responsible for the Ontario Builder Directory once it is operational in early 2021.

Part 3: Condominium Living

3.1 Introduction to Condominium Living

Your Unit and Common Elements

In a condo corporation, as an owner, you typically own your individual unit and collectively share in the ownership of and expenses for the common elements.

Unlike units, common elements may not be for the exclusive use of a particular unit owner. Common elements may include parking garages, elevators, lobbies, and much more. They may also include structural elements like the walls between the units, doors, plumbing and electrical work.

Exclusive Use Common Elements

Certain common elements may be for the exclusive use of a particular condo owner. These are called exclusive-use common elements. An example of an exclusive-use common element may be the balcony of a unit. Although a condo owner might think of a balcony as part of their unit, it could be an exclusive-use common element.

Every condo corporation is unique in the breakdown between units and common elements. If you are unsure about what constitutes a common element in your condo corporation, you can refer to your condo declaration.

Rights and Obligations of Owners

Condo owners in Ontario have rights and obligations that you should be aware of before purchasing a unit:

Rights

- Attending and voting at owners' meetings;
- Seeking election to the condo board, if qualified under the Condo Act;
- Reviewing certain records of the condo corporation, such as certain financial statements and meeting minutes;
- Requisitioning an owners' meeting in certain circumstances;
- Using the common elements and amenities of the condo corporation in accordance with the Condo Act and the condo corporation's declaration, by-laws, and rules; and
- Requesting that an item be added to an owners' meeting agenda.

Obligations

- Complying with the Condo Act and the condo corporation's declaration, by-laws, and rules;
- Repairing and maintaining your unit in accordance with and subject to the Condo Act and the condo corporation's declaration and by-laws;
- Paying your common expense fees on time;
- Notifying the condo corporation if your unit is leased; and
- Attending and voting at certain meetings.

Click here for more information on condo ownership.

3.2 Condominium Governance

Board of Directors and Board Responsibilities

The board of directors of a condo corporation that is turned over is an elected group of people that is responsible for governing the affairs of the condo corporation. The board of directors will ideally play a critical role in supporting a positive, healthy condo community and ensure that the condo corporation and its assets are well managed and maintained.

The board has certain responsibilities such as:

- Setting the condo corporation's annual budget;
- Making most decisions about how the condo corporation will spend its money, including selecting contractors or service providers your condo corporation will work with;
- Hiring and overseeing the work of a condo manager (should your condo corporation decide to get a condo manager);
- Ensuring required maintenance and repairs are carried out;
- Hiring specialists, such as engineers, to conduct reserve fund studies;
- Proposing changes to the condo corporation's rules and/or by-laws;
- Giving various notices to owners; and
- Making decisions related to the condo corporation's finances.

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A condo's board is usually made up of owners in the condo corporation (but can include non-owners depending on the provisions of the condo corporation's by-laws). Directors are elected by the owners and serve for defined terms. Directors must seek re-election when their term expires if they want to remain on the board.

Duties of Directors and Required Disclosures

Board directors are responsible under section 37 (1) of the Condo Act to exercise their power or carry out their duties for the condo corporation with a standard of care. This means directors have a duty under the Condo Act to:

- Act honestly and in good faith; and
- Exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

A condo corporation may also have a code of ethics outlined in a by-law. A code of ethics will govern matters such as conflicts of interest, confidentiality, and standards of behaviour at board meetings.

Individuals looking to become directors (i.e. candidates) must meet disclosure requirements listed under section 11.6 of Ontario Regulation 48/01 as well as any such requirements listed in the by-laws of the condo corporation. To qualify as a candidate an individual must disclose, among other things:

- Whether the candidate (or their spouse, child or parent) is party to a legal proceeding in which the condo is also a party;
- Whether the candidate has, directly or indirectly, an interest in a contract or transaction that the condo corporation is a party to;
- If the candidate is a unit owner with common expense fees in arrears for 60 days or more; and
- Whether the candidate has been convicted of an offence under the Condo Act or under the regulations within the preceding 10 years, a statement of that fact and a brief general description of the offence.

A director is immediately disqualified if they do not meet certain disclosure obligations. In addition, directors may be disqualified if they meet any of the criteria listed in section 29(2) of the Condo Act (e.g., they have the status of bankrupt).

More information regarding director disclosure obligations can be found on the CAO website here.

For a full list of disclosure obligations, please see 11.10 of Ontario Regulation 48/01.

Election Process

Aside from the developer-appointed directors, and instances where an individual is appointed to the board by the existing directors, directors are elected by the owners at a meeting, such as a turn-over meeting, an annual general meeting, a requisitioned meeting, or a meeting called specifically for elections due to loss of quorum. Directors usually serve for three-year terms, but this period may be shorter, depending on a condo corporation's by-laws. Once their term is over, they must seek re-election to continue to act as a board member.

Requirements for Being a Director

Before a candidate can become a director, there are a few requirements that must be met. The candidate must:

- Be an individual;
- Be at least 18 years old;
- Not have a status of bankrupt;
- Not have been found incapable of managing property;
- Not have been found incapable by a court; and
- Meet the required disclosure obligations, as mentioned above**.**

Once an individual becomes a director, they can be immediately disqualified from their position if, for example:

- They are bankrupt;
- They have been found incapable of managing property or found incapable by a court;
- They have a certificate of lien registered against their unit that has not been discharged within 90 days;
- They failed to complete the mandatory director training within six months; or
- They failed to comply with mandatory disclosure obligations.

Note that different condo corporations may have additional requirements for directors. You may wish to check your condo corporation's by-laws for more information.

Director Training Requirements

All directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program provided by the Condominium Authority of Ontario (CAO) within six months of their appointment, election, or re-election, and at least once every seven years. Director training is provided for free and is easily accessible online on the CAO website.

Directors who fail to complete the training within the six-month timeframe are immediately disqualified from their board and cease to be a director.

Although director training is mandatory for directors, director training is not just for condo directors. It is available to any individual and contains plenty of useful information regarding condo living and condo governance.

If you wish to know more about director training, please click here for more information.

Meetings and Quorum

Condo meetings can be divided into two types: owners' meetings and board meetings. The Condo Act requires that a minimum number of participants be present at meetings, which is called "quorum". Without quorum, voting cannot take place, however discussion on relevant business is still permitted. Note that a corporation may also be able to make by-laws with respect to meetings, including with respect to quorum and voting. For owners' meetings, owners can either attend in person or by proxy. For more information on proxies, see **Voting by Proxy and Voting Method** below.

Owners' meetings are meetings in which all condo owners are invited to attend. The following are the most common types of owners' meetings:

- **Annual General Meetings** (AGM) are annual meetings where the board has the chance to report to owners on matters such as the financial health of the condo corporation. The AGM

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also gives owners the opportunity to discuss matters that are relevant to the business of the condo corporation. The following items may be on the agenda at an AGM:

- Approval of the minutes of the previous AGM;
- Review of year-end audited financial reports;
- Selection of the condo corporation's auditor for the next fiscal year;
- Report of the board of directors regarding matters like past performance;
- Major upcoming projects (e.g., repairs or renovations), potential by-law changes and ongoing issues; and
- Election of directors.

The standard quorum for an AGM is the owners of 25% of the units. If the quorum is not reached on the first two attempts to hold the AGM, the quorum is reduced to 15% on the third and on any subsequent attempts unless the by-laws specify otherwise.

- **Owner-Requisitioned Meetings** are meetings that the board is required to call at the request of the owners of the condo corporation. All owners can attend. Some examples of why owner-requisitioned meetings may be called include:
  - Voting on a proposed rule;
  - Discussion of an emerging issue (e.g., the behaviour of owners, residents, or guests); or
  - The removal and replacement of a director before the expiry of that director's term.

  Information related to requisitioning a meeting of owners can be found under section 46 of the Condo Act. Other sections also may be relevant.

  More information on requisitioning a meeting can be found here.

- **Board Meetings** are meetings attended by the condo board to manage the affairs of the condo corporation. The only people who are entitled to attend board meetings are the directors, however, condo boards may invite individuals to attend board meetings as guests. A condo's board of directors can only conduct condo related business at a board meeting. Before any condo business can be conducted, the board must make sure there is a quorum of directors attending the board meeting. For board meetings, quorum is a majority of the total number of positions on the board. For example, if there are 3 positions on the board, quorum would be 2 board members in attendance at the board meeting.

Voting by Proxy and Voting Method

At owners' meetings, votes may be held regarding condo business.

Unless the Condo Act provides otherwise, at a meeting, votes may be cast by:

- A show of hands, personally or by proxy
- A recorded vote that is:
  - Marked on a ballot cast personally or by a proxy;
  - Marked on an instrument appointing a proxy; or
  - Indicated by telephonic or electronic means if the by-laws so permit.

If you are an owner who cannot attend a meeting but still want to participate in decision-making, you can enable somebody who will attend the meeting to vote for you. This individual is called a proxy (who need not be an owner in your condo corporation). You can appoint a proxy by completing a legal document called a proxy form and giving the form to the proxy. You can create only one proxy per unit. If you co-own your unit, the proxy represents all owners of the unit.

A form is available on the CAO website which gives instructions on how to use a proxy, and how a proxy can vote in a meeting.

Notices

A condo corporation must provide various notices to owners to make owners aware of upcoming owners meetings. There are a variety of notices required under the Condo Act, such as:

- **Preliminary Notice of Meeting:** The Preliminary Notice of Meeting must be delivered to owners at least 20 days before a Notice of Meeting. The Preliminary Notice will, among other things, let owners know that a Notice of Meeting will be sent, state the purpose of the meeting, and, if applicable, request that individuals interested in being candidates for director positions notify the board in writing.

  More information about a Preliminary Notice of Meeting can be found by clicking here.

- **Notice of Meeting:** The Notice of Meeting must be delivered to owners in writing at least 15 days prior to the day of the meeting. A Notice of Meeting of owners will include the date, time, and place of the meeting. It must also identify the business to be discussed, among other things. No vote can take place on an item, other than routine procedure, that was not disclosed in the Notice of the Meeting.
    - If an owner wishes to receive notices electronically, they must provide an Agreement to Receive Notices Electronically form, and the condo corporation must have a statement of this method of receiving notices in the record of owners and mortgagees (unless the Condo Act provides otherwise).

  More information about the Notice of Meeting can be found on the CAO website here.

Information Certificates

Information Certificates help ensure that condo owners receive important information about the state of the condo corporation throughout the year. Information certificates can be broken down into three types:

- **Periodic Information Certificate (PIC)**. Sent out twice per fiscal year to all owners (within 60 days of the end of the first quarter and 60 days of the end of the third quarter). Includes key information about the condo's board, finances, insurance, reserve fund, legal proceedings, and other matters.
- **Information Certificate Update (ICU)**. Sent to owners if there are certain key changes before the next scheduled PIC (such as changes in the directors or officers of the condo corporation). To be distributed within 30 days of the change.

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- **New Owner Information Certificate (NOIC)**. Sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation. A NOIC covers the most recent PIC and any subsequent ICUs.

Condo corporations may be able to pass by-laws related to PICs and ICUs.

More information on Information Certificates can be found on the CAO website here.

Records Requirements and Process to Request or Examine Records

As a condo owner, you have the right to access certain records regarding how the condo corporation is managed. It is the condo board's duty to ensure that adequate records are kept and that they are retained for the legally required amount of time. If an owner wants to access certain records, they must use a Request for Records form. In their request, they can specify whether they wish to review records or request copies of records and they can indicate whether they would like electronic or paper copies.

As an owner, you may have the right to access:

- Your condo corporation's declaration, by-laws, and rules;
- The financial records of your condo corporation;
- The minute book containing the minutes of owners' meetings and the minutes of board meetings;
- A copy of the returns or notices of change that the condo corporation has filed with the CAO;
- All lists, items, records, and other documents from your condo corporation's turn-over meeting;
- A list of the names of the owners of each unit in the condo corporation and their address for service;
- All reserve fund studies and all plans to fund the reserve fund;
- All agreements entered by or on behalf of the condo corporation;
- All instruments appointing a proxy or ballots for a meeting of owners that are submitted at the meeting; and
- Other records as specified under the Condo Act, including in its regulations, or your condo corporation's by-laws.

More information about records can be found on the CAO website here.

3.3 Condominium Corporation Governing Documents

In addition to complying with all applicable requirements under the Condo Act, all owners, residents, employees of the condo corporation, guests and others must comply with the condo corporation's governing documents. It is very important that you read and understand a condo corporation's governing documents before purchasing a unit. If you are unfamiliar with the requirements set out in

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your governing documents, you may unknowingly cause issues, requiring the condo corporation to respond to enforce the provisions found in these documents. The governing documents include:

1. **The Declaration;**
2. **By-laws; and**
3. **Rules.**

The governing documents must be consistent with the Condo Act.

1. The **Declaration** is one of the foundational documents of the condo corporation. The declaration is often considered the constitution of the condo corporation and contains many important provisions. It will include:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The declaration may be changed with the consent of at least 80% or 90% of voting units depending on what the change is.

2. **By-Laws** describe how the condo corporation is to govern itself. The by-laws can be considered the administrative guide for the condo corporation. A condo corporation's by-laws often deal with a wide range of matters. For example, by-laws may govern:

- How directors are elected;
- How common expenses are collected; and
- When/how the condo corporation can borrow money.

By-laws must be both reasonable and consistent with the declaration, as well as the Condo Act. By-laws must be approved by the owners of a majority of the units, except where the Condo Act provides otherwise, and registered with the Land Registry Office.

3. **Rules** regulate the use of the units or common elements or assets in a condo corporation. The condo rules will dictate what individuals on the condo property can and cannot do. Rules must be reasonable and consistent with the declaration and by-laws, in addition to the Condo Act. Rules must either: promote the safety, security or welfare of the owners, property, or assets of the condo corporation; or prevent unreasonable interference with the use and enjoyment of units, common elements or assets. Examples may include:

- Restricting smoking, vaping and/or the growing of cannabis;
- Restricting short-term rentals; or
- Limiting the number or size of pets allowed in the building.

Upon making, amending or repealing a rule, the board shall give a notice of it to the owners that includes:

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- A copy of the rule;
- A statement of the date that the board proposed the rule will become effective;
- A statement which says that the owners have a right to requisition a meeting; and
- A copy of sections 46 and 58 of the Condo Act.

Owners who disagree with the rule may be able to requisition an owners' meeting regarding the rule and then have a vote during the meeting to prevent the changes to a rule(s) from being passed. If the owners do not requisition a meeting, the rule becomes effective the day after 30 days have passed since the board gave the owners notice of the rule. For more information on owner requisitioned meetings, please see section 3.2 of this Condo Guide.

More information about the declaration, by-laws, and rules can be found on the CAO website here.

3.4 Condominium Finances

Reserve Funds

A **reserve fund** is a fund that condo corporations use for major repair or replacement of common elements and assets as needed. The Condo Act requires that all condo corporations have a reserve fund. Adequate reserve funds and proper use of those funds are critical to maintaining the structural integrity of the condo corporation’s property. Reserve funds may only be used for major repairs and replacements of the common elements and assets of the condo corporation. Condo corporations must collect contributions to the reserve fund from owners as part of their common expense fees. Condo corporations must complete reserve fund studies. Reserve fund studies are completed by certain specialists (e.g., engineers) and determine how much money needs to be in the fund to be able to pay for anticipated major repairs/replacements that will be needed in the future. Generally, after the first reserve fund study, reserve fund studies are completed/updated every three years.

More information about reserve funds and reserve fund studies can be found on the CAO website.

Common Expenses

Common expenses, which are typically described in the Condo Guide as “common expense fees” (also commonly known as condo fees or maintenance fees) are collected by the condo corporation under the Condo Act. In addition to including a contribution to the reserve fund as described above, common expense fees may be used to fund:

- The cost of maintenance to the common elements (e.g., standard elevator repairs, cleaning).
- The cost of your condo manager or management service provider.
- The condo corporation’s insurance policies.
- Services, such as garbage or snow removal, landscaping, security etc.

As an owner, you are required under section 84 (1) the Condo Act to pay your share of common expense fees attributed to your unit. As per section 84 (3) of the Condo Act, you are obligated to pay your common expense fees even if:

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- You have waived or abandoned your right to use the common element(s);
- You have made a claim against the condo corporation; or
- The condo corporation's declaration, by-laws or rules restrict you from using the common element(s).

How are Common Expense Fees Calculated?

Condo boards make a budget every year which outlines various expenses for the fiscal year that are to be paid by the owners. The condo corporation's declaration will state the portion of the common expenses each owner is required to contribute, expressed as a percentage. The percentage may, but need not, relate to the size of your unit. The amount of common expenses you are required to contribute may fluctuate (e.g., increase) for various reasons (e.g., as the needs of the condo corporation change).

Section 56 (1) of the Condo Act also permits condo corporations to pass by-laws governing the assessment and collection of common expense fees.

Liens

If you as an owner default on your obligation to pay common expense fees, your condo corporation automatically has a lien on your unit. The lien will cover the unpaid amount owing as well as all interest, and all reasonable legal costs and expenses incurred by the condo corporation in its attempt to collect.

The condo corporation has three months from when the default occurred to register a certificate of lien, otherwise the lien will expire after three months of the default. At least ten days' notice is required to be provided to owners before the certificate of lien can be registered on title. Condo liens have priority over every other liability, including mortgages, subject to some exceptions, and may be enforced in the same manner as a mortgage.

Special Assessments

As described above, your condo corporation will create a budget for every fiscal year. Should there be a budget shortfall (i.e., where expenses exceed revenues), your condo corporation may levy a special assessment to cover expenses. A special assessment is an extra one-time charge added to your common expense fees.

Your board may need to levy a special assessment for unforeseen major expenses such as repairs related to flooding, costs related to legal proceedings, etc. Your condo corporation's by-laws may include provisions about special assessments.

Under section 84 of the Condo Act, you are required to pay your unit's share of the common expense fees, which may include special assessment fees. Your portion is calculated using the same percentage used to calculate your regular common expense fees.

More information about special assessments can be found on the CAO website here.

Chargebacks

A chargeback is an addition to an owner's common expense fees to reimburse the condo corporation for a cost it incurred. This is to ensure that certain expenses or costs incurred are not levied to all

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owners, particularly where they are not all responsible for the circumstances leading to the expense or cost.

Some chargebacks are specifically authorized by the Condo Act. For example, section 92 (4) of the Condo Act allows condo corporations to add repair costs to a unit's common expenses fees, where repairs were completed on an owner's behalf after they failed to complete them within a reasonable time. Condo corporations may also have provisions within their declaration that require owners to indemnify the condo corporation for certain costs, called an indemnification clause.

If an owner does not pay the chargeback, a lien will automatically be placed on the defaulting unit, just as would occur if the owner does not pay their regular common expenses on time. If the condo corporation registers a certificate of lien and the owner does not pay the lien in full (this is known as discharging the lien), the condo corporation has the ability to attempt to have the unit sold to cover the costs.

Condo Insurance

Under the Condo Act, condo corporations are required to obtain and maintain both property insurance and liability insurance.

- **Liability Insurance:** Under section 102 the Condo Act, condo corporations are required to obtain and maintain insurance against the liability resulting from a breach of duty as the occupier of the condo corporation's common elements or certain land as well as insurance against liability arising from the ownership and use of boilers, machinery, pressure vessels and motor vehicles.
- **Property Insurance:** Section 99 (1) of the Condo Act requires condo corporations to obtain and maintain insurance for damage to the units and common elements that is caused by certain major perils, including fire, smoke, lightning, windstorm, hail, or any other peril specified in the condo corporation's declaration or by-laws.

Standard Unit

A condo corporation's obligation to insure the units does not cover "improvements" made to units. Section 99 of the Condo Act states a condo corporation's obligation to insure against damage to units from major or other perils only includes what is called a "standard unit".

What constitutes a standard unit in your condo corporation is important as it not only outlines responsibility for property insurance coverage but also partly determines what the condo corporation or the condo owner is responsible for when dealing with repairs after damage.

For more information on where to find your condo corporation's definition of a standard unit, see section 3.5 of this Condo Guide - Living in Units and Using Common Elements.

Deductibles

According to section 105 (1) of the Condo Act, if an insurance policy obtained by the condo corporation has a deductible clause that limits the amount payable by the insurer, the condo corporation is responsible for paying the portion of a loss that is excluded from coverage, and that amount must be included in the common expenses.

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A single owner may be responsible for paying a deductible if a claim to the condo corporation's insurer arose due to the owner's (among others) action or inaction. In this case, the lesser of the deductible limit or the actual cost of the repairs must be charged back to that owner's unit. For more information on chargebacks, please see section 3.4 of this Condo Guide.

Your condo corporation may also have an insurance deductible by-law that would extend the circumstances in which an owner would be responsible for paying for a property insurance deductible. Common examples of extended circumstances could include:

- Where the owner, occupant, or guest of the unit, through an act or negligence causes the insured damage; and/or
- Where the insured damage is caused by accident (i.e., where no one is at fault).

3.5 Living in Units and Using Common Elements

Units vs. the Common Elements

For a description of what a common element is and what an exclusive use common element is, please refer to section 3.1 of this Condo Guide. As noted in section 3.1, common elements are elements which may not be for the exclusive use of a particular unit owner.

In a condo corporation, typically owners own their individual unit(s) and collectively share ownership of and expenses for the common elements (e.g. roof, hallways, elevators, pool).

What is considered part of a "unit" and what is considered part of the "common elements" will be outlined in the condo corporation's declaration and description. Schedule C of the declaration contains this information for most types of condo corporations, and more, as explained below. In addition, the Condo Act includes information about what is a unit vs. a common element. The term "common elements" generally means all the property except the units.

Understanding the breakdown between a unit and the common elements is important when considering repair and maintenance obligations, condo insurance, and making changes to your unit.

Repair and Maintenance Obligations

Section 89 (2) of the Condo Act requires that, subject to the Condo Act and a condo corporation's declaration:

- Condo corporations are responsible for repairing damage to both the common elements and units. This obligation to repair does not include any improvements made to units.

- Unit owners are responsible for maintaining their units (i.e., upkeep and repairing after normal wear and tear) and condo corporations are responsible for maintaining the common elements (e.g., parking, gardens, hallways, elevators, amenities, etc.).

The following documents, together with the Condo Act, are notable when it comes to figuring out repair and maintenance responsibilities:

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1. Schedule C. Schedule C (within your condo corporation's declaration) typically will outline unit boundaries and therefore clarify repair and maintenance responsibilities, especially in unclear areas (e.g., plumbing, electrical, areas behind drywall, etc.).

2. Standard unit by-law. A standard unit by-law or, if none, a schedule provided by the developer, will detail which components of a unit are the "standard unit" and therefore the responsibility of the condo corporation to repair.

Also, section 91 of the Condo Act allows condo corporations to alter these repair and maintenance obligations in their declaration. This means that when determining who is responsible for repairs or maintenance it is necessary to review your condo corporation's declaration. Note, there are some different repair and maintenance requirements under the Condo Act for different types of condo corporations (e.g., vacant land condo corporations).

Making Changes to Your Unit

A condo corporation's declaration, by-laws, and rules may contain rules about making modifications to your unit or common elements (such as requiring notice to the board, restrictions on design, décor, materials to be used, restriction on days or times when renovations are permitted, etc.). You may wish to review these requirements, as well as applicable requirements under the Condo Act, before considering changes to your unit.

Modifications to the Common Elements by Owners

Changes to the common elements (e.g., exterior walls) by owners generally will require board approval. Section 98 of the Condo Act states that an agreement (often referred to as a section 98 agreement) must be entered into between the condo corporation and the owner specifying, for example:

- The allocation of cost of the proposed modification between the owner and the condo corporation; and
- The respective duties and responsibilities of the owner and condo corporation for the costs of repairs after damage, maintenance, and insurance of the modification.

The board may approve a proposed modification, and there will be no requirement to provide notice to other owners if the modification is to an exclusive use common element, and the board is satisfied that the modification will not:

- Have an adverse effect on units owned by other owners;
- Give rise to any expense to the corporation;
- Negatively impact the appearance of buildings on the property;
- Affect the structural integrity of buildings; or
- Contravene the declaration or any prescribed requirements.

Right of Entry

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Section 19 of the Condo Act provides condo corporations, or a person authorized by the condo corporation, the right to enter units to perform the objects and duties or to exercise the powers of the condo corporation. They can only do so after providing reasonable notice to the owner of the unit.

Examples of when condo corporations may typically seek to enter units include:

- To perform maintenance and repairs to the common elements;
- To perform routine inspections on things such as smoke detectors; and
- To ensure compliance with the Condo Act and the condo corporation's declaration, by-laws, and rules.

Your condo corporation will also have the right to enter units in the case of an emergency, such as a fire or water leak, without any reasonable notice.

3.6 Condominium Management

Condo corporations, while not required to, may decide to hire a condo manager or a condo management company to oversee the condo corporation's day-to-day operations. Condo managers act on behalf of the condo corporation and are directed by the board of directors. A condo manager's range of responsibilities may include:

- Creating and maintaining records for the condo corporation;
- Responding to owner complaints;
- Coordinating the maintenance and repair of the property;
- Hiring and monitoring the performance of service providers;
- Preparing draft annual budgets and monitoring the reserve fund;
- Issuing meeting notices; and
- Organizing board meetings and overseeing administration of all owners' meetings.

Under section 17.0.1 of the Condo Act, condo corporations cannot enter into agreements with a condo manager or management company unless they are licensed through the Condominium Management Authority of Ontario (CMRAO). For more information about the CMRAO, see section 4.2 of this Condo Guide.

For more information on the CMRAO, you can visit their website by clicking here.

Part 4: Resources for Issues Resolution

4.1 Raising Issues with your Condominium Board

Occasionally, issues can arise with condo living. There are several options that may be available to condo owners who have concerns with their board of directors or condo corporation generally. Before raising any issues, you may wish to consult the governing documents of your condo corporation as

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some condo corporations may have specific protocols for raising issues. When raising issues, you may wish to consider the following:

1. **Writing a Letter to the Board**

   You may wish to contact your board to request formal consideration of your concern if you are experiencing a condo-related issue that you wish to raise with the board. Within the letter or email it is helpful to provide as much detail as possible about the issue.

   The CAO also has email and letter templates for writing to your board, available on the CAO website by clicking here.

2. **Requisitioning a Meeting of Owners**

   Owners may be able to requisition a meeting to discuss certain issues. For example, owners may be able to requisition a meeting to discuss:

   - The removal and replacement of a director before the expiry of that director's term;
   - A proposed new rule or change or repeal of an existing rule; and
   - The discussion of any emerging issue (e.g., a board decision).

   For more information on meetings in general, see section 3.2 of this Condo Guide.

   For more information regarding the requisitioning of meetings, please click here.

3. **Raising Issues at an AGM**

   An AGM provides another opportunity to bring up issues regarding the condo corporation and condo business to the board and other owners. Owners may be able to raise their concerns at their AGM. Section 45(3) of the Condo Act states that owners may raise any matters for discussion in the AGM, as long as they are relevant to the affairs and business of the condo corporation.

4. **Seeking Legal Advice**

   If a particular issue cannot be resolved through any of the above options, you may wish to consider seeking legal advice.

   If you require legal advice, you may wish to contact a lawyer or paralegal familiar with condo law. The names of lawyers or paralegals may be obtained from the Law Society of Ontario Referral Service. They may provide a free consultation of up to 30 minutes.

Additionally, you may wish to consider reviewing the CAO's Issues and Solutions page for additional information on common issues associated condo living.

4.2 The Condominium Authority of Ontario

The CAO is a not-for-profit organization designated by the Ontario government to administer delegated provisions of the Condo Act and its regulations. The CAO's role is to support condo living by providing services and resources for condo communities and the general public. These include:

- Offering information about condo living to condo owners, residents, and other members of the public;
- Administering mandatory training for condo directors;
- Hosting and providing access to several mandatory and optional condo forms;
- Maintaining the CAO's Public Registry, which contains and displays information filed with the CAO through returns and notices of change; and
- Overseeing an online dispute resolution forum - the Condominium Authority Tribunal (CAT).

The CAT is an online tribunal that is authorized to resolve certain disputes primarily between condo corporations and owners. Part I.2 of the Condo Act and related regulations, including Ontario Regulation 179/17, set out certain provisions related to the CAT's jurisdiction.

Currently, the CAT resolves certain disputes relating to:

- the retention of and access to condo records.
- condo corporation governing document provisions about:
    - vehicles;
    - pets or other animals;
    - parking and storage; and
    - indemnification or compensation of the condo corporation, owner or mortgagee related to the above-noted governing document disputes.

For more regarding the CAT, its function, and its jurisdiction, click here.

4.3 Condominium Management Regulatory Authority of Ontario

The Condominium Management Regulatory Authority of Ontario (CMRAO) is a not-for-profit corporation that is responsible for administering provisions under the Condominium Management Services Act, 2015 (CMSA), including by licensing condo managers and management providers. The CMRAO:

- Ensures that condo managers and condo management companies are licensed, meet education standards, and comply with a code of ethics, among other requirements.
- Maintains a list of licensed condo managers and condo management providers.
- Promotes awareness of the condo management regulatory system and enforces compliance with the CMSA.

Handling Complaints

If you think your condo's manager or management service provider is in violation of the CMSA you can submit a complaint to the CMRAO. If the registrar of the CMRAO receives a complaint about a licensee, the registrar may do any of the following, as appropriate:

- Attempt to mediate or resolve the complaint;

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- Give the licensee a written warning;
- Require the taking of further educational courses;
- Refer the matter, in whole or in part, to the discipline committee;
- Propose to suspend, revoke, or add conditions to a licence;
- Propose to refuse to renew a licence; or,
- Take further action as is appropriate in accordance with the CMSA.

More information about making a complaint can be found on the CMRAO's website here.

4.4 Compliance and Enforcement Mechanisms

Responsibility to Comply with the Condo Act

Section 119 of the Condo Act provides that the condo corporation, owners, directors, officers, employees, mortgagees, developer and occupants are all required to comply with the Condo Act as well as the condo corporation's declaration, by-laws, and rules.

Section 17 (3) of the Condo Act provides that condo corporations have a duty to take all reasonable steps to ensure that owners, occupiers, lessees, agents and employees of a condo corporation comply with the Condo Act, the declaration, the by-laws and the rules. Additionally, section 119 (2) of the Condo Act provides that owners are obliged to take all reasonable steps to ensure occupants and visitors of their unit also comply with the Condo Act, the declaration, the by-laws, and the rules.

Mediation, Arbitration, and Compliance Orders

Under section 132 of the Condo Act, certain disputes must be resolved through mediation or arbitration. Condo corporations may also have provisions in their declaration or by-laws establishing a procedure for resolving certain disputes and compliance.

To resolve certain disputes between an owner and the condo corporation, the first step would be mediation, and then arbitration, if required.

As per section 134 of the Condo Act, certain compliance disputes may be resolved through an application to the Superior Court of Justice, including if the mediation and arbitration process has failed to solve the issue. Condo corporations, owners, occupants of a proposed unit, and developers are all entitled to apply as set out in that section; however, it is recommended to talk to a lawyer or paralegal if considering any legal action.

Please note that sections 132 and 134 of the Condo Act do not apply to disputes that may be brought to the CAT.

Offences Under the Condo Act

Sections 136.1 and 137 of the Condo Act set out provincial offences under the Condo Act that the Ministry of Government and Consumer Services (Ministry) administers. If you have information about conduct you believe may constitute an offence under section 136.1 or section 137 of the Condo Act, you may provide that information to the Ministry.

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You can file the information by clicking here.

The Ministry will review the information and determine if compliance or enforcement action would be appropriate. Please note that not every complaint will lead to compliance or enforcement action.

Section 136.2 of the Condo Act sets out provincial offences under the Condo Act which are administered by the CAO. If you have information about conduct that you believe may constitute an offence under section 136.2 of the Condo Act, you may provide that information to the CAO.

Part 5: Glossary of Key Terms

Addendum: The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to.

Agreement of Purchase and Sale: The Agreement of Purchase and Sale contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations as seller (as applicable), the unit, and the condo construction project.

Annual General Meeting: Annual owners' meeting where the board of directors presents to the owners on the financial health of the condo corporation and other business.

Board Meetings: Meetings attended by board members to manage the affairs of the condo corporation.

By-laws: By-laws are part of the condo corporation governing documents. By-laws govern how a condo corporation operates. By-laws can cover topics such as: the size of your condo board, the process for electing directors, and the format of board meetings. By-laws must be consistent with the declaration and the Condo Act as well as reasonable.

Chargebacks: Charges that are added to the amount of a unit owner's common expense fees. This may happen, for example, due to a condo corporation handling an owner's maintenance obligations or where a condo corporation incurs certain court costs in a legal proceeding against an owner to enforce compliance.

Common Elements: All condo property except units.

Common Elements Condominium: A condo corporation that creates common elements but does not divide the land into units. Owners purchase land tied to part of a common element condo corporation in which they also have an ownership interest (such as a shared road, ski hill or golf course) and pay common expense fees.

Common Expense Fees: The amount of money that an owner contributes in the proportions specified in the declaration. These go towards paying expenses (operating and reserve), including for, among other things, the maintenance and upkeep of the condo corporation's common elements.

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Condo Corporation: A legal entity that comes into existence when a declaration and description are registered with the Land Registry Office. All units and common elements are part of a condominium corporation, and condominium corporations are governed by boards of directors on behalf of owners.

Condo Manager: An individual licensed by the Condominium Management Regulatory Authority of Ontario who is hired by a condo corporation to oversee a condo corporation's day-to-day operations. Condo managers are accountable to the board of directors of the condo corporation.

Condominium Act, 1998 (Condo Act): The Condo Act provides a legal framework that enables condo owners and their elected board of directors to make decisions about the governance of a condo corporation.

Condominium Authority Tribunal (CAT): an online tribunal administered by the Condominium Authority of Ontario that is authorized to resolve certain disputes primarily between condo corporations and owners.

Condominium Management Services Act (CMSA): The CMSA provides a framework for regulating condo managers and condo management providers and requires that they be licensed to provide condo management services in Ontario.

Cooling Off Period: Ten-day period within which buyers of pre-construction condos have the right to rescind, or cancel, a purchase agreement they have signed, for any reason whatsoever. Begins on the later of the date the buyer received the disclosure statement, a copy of this Condo Guide, and the copy of the agreement of purchase and sale.

Declarant: The owner of the land where the condo corporation is being established. *Note that, for ease-of-understanding, the Condo Guide sometimes uses the term "developer" in many places in place of the term "declarant", which is used in the Condominium Act, 1998. The Ontario New Home Warranties Plan Act also uses the terms "vendor" and "builder".

Declaration: Governing document that contains important information about the condo corporation, such as the percentage that the unit owner must contribute to the common expenses and a breakdown of the responsibilities for repairing and maintaining the units and common elements.

Description: The description defines the units and the common elements and specifies the boundaries between them.

Declarant-Controlled Board: A condo corporation board including directors appointed by the declarant (i.e. the developer).

Delayed Occupancy: When a unit buyer is unable to take possession of the new residential unit by the firm or outside occupancy dates contained in the Addendum to a purchase agreement.

Director / Board of Directors: The individuals who are appointed or elected to manage the affairs of the condo corporation. Directors are responsible for making important decisions and serve for terms of up to three years.

Director Training: Training program provided by the Condominium Authority of Ontario. All condo directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program within six months of their appointment, election, or re-election. Directors do not have to take the training if they have completed the program within the previous seven years.

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Disclosure Statement: A document that your declarant must provide when you purchase your unit from them or someone benefiting them, and which includes important information about your unit and the condo corporation (proposed or registered).

Exclusive Use Common Elements: Are common elements that specific unit owners/occupiers have exclusive use of (e.g., a balcony connected directly to a single unit).

Governing Documents: A condo corporation's declaration, by-laws, and rules.

Information Certificates: Information Certificates help to ensure that owners receive ongoing information about their condo corporation throughout the year. There are three types: Periodic Information Certificates, Information Certificate Updates, New Owner Information Certificates.

Information Certificate Updates: are information certificates which include information on certain key changes before the next scheduled Periodic Information Certificate (such as changes in the directors or officers of the condo corporation). These are to be distributed within 30 days of the change.

Interim Occupancy: When a buyer takes occupancy of their unit before the condo corporation has been registered with the Land Registry Office, and before ownership is transferred to the buyer. The duration of the interim occupancy is called the interim occupancy period, and during that period the buyer is required to pay occupancy fees.

Interim Occupancy Fee: The amount that a buyer is required to pay the declarant during the interim occupancy period.

Interim Occupancy Period: The period from your interim occupancy date to the date ownership is transferred to you.

New Owner Information Certificates: Information certificates which are sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation.

Notices: Notices are documents containing information that an individual is entitled to receive as a unit owner. Notices will be delivered to you in either hardcopy or digitally (if the condo corporation and owner agree to electronic delivery or if that is otherwise permitted).

Owners' Meetings: Meetings which all owners are invited to. Includes annual general meetings, owner-requisitioned meetings, turn-over meetings, and meetings called by the board regarding the transaction of any condo business.

Owner-Requisitioned Meetings: Meetings requested by the owners to discuss/vote on a specific topic, such as the removal of a director or voting on a rule proposed by the board of directors.

Periodic Information Certificates: Information certificates which focus on the condo corporation's board, finances, insurance, reserve fund, legal proceedings, and other matters.

Phased Condominium: A condominium that is built and registered in phases. Once the construction is complete, it becomes a standard condominium.

Quorum: The law requires that a minimum number of owners be present (either in person or by proxy) at a meeting. Without quorum, voting cannot take place, however discussion on relevant business is still permitted.

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Reserve Fund: A fund condo corporations save and use to handle the larger financial burdens, for major repair or replacements of common elements and assets as needed.

Reserve Fund Study: Determines how much money needs to be in the reserve fund to ensure the major repairs/replacements can be paid for in the future. The reserve fund study must be prepared by a specialist, like an engineer. The board of directors approves the study, then informs owners of the results of the study.

Rules: Rules are part of the condo corporation's governing documents. Rules exist for the protection of those living in the condo corporation as well as the protection of the assets of the condo corporation itself, and to prevent unreasonable interference with the use and enjoyment of the units, common elements, and assets of the condo corporation. Rules must be consistent with the Condo Act and the declaration and by-laws of the condo corporation as well as reasonable.

Special Assessment: An extra one-time charge added on top of an owner's common expense fees.

Standard Condominium: The most common type of condo corporation in Ontario, where the condo corporation is made up of units and common elements.

Statement of Critical Dates: The Statement of Critical Dates can be found in the Addendum to your purchase agreement. The Statement contains the dates you can expect to take occupancy of your unit, as well as other important information.

Status Certificate: A document that anyone can request from a condo corporation and which contains important information about the unit and condo corporation.

Turn-Over Meeting: The meeting held by the declarant-controlled board within 42 days of the declarant ceasing to own a majority of the units. At this meeting, the owners will elect a new board and the declarant-controlled board will turn over several items to the new owner-elected board.

Vacant Land Condominium: A type of condo corporation in which the units may be vacant lots at the time of purchase, and the condo corporation may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.

Initials of Purchaser(s)

DS

Appendix “D7”

AURORA MILLS
BUSINESS PARK

Unit(s) Block 5&6, Unit 15

AGREEMENT OF PURCHASE AND SALE

1.01 **Agreement to Purchase**

The undersigned 17323271 Canada Inc. (hereinafter called the "Purchaser"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit located in the Town of Aurora, in the Municipality of York, being Block 5&6, Unit number 15, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement;

~~(b) the sum of~~ [redacted] ~~upon waiver of conditions;~~

(c) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit on the Closing Date.
(b) ~~The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.~~
(c) ~~The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;~~
(d) ~~the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be~~ **~~September 2025~~** ~~(the "~~**~~Occupancy Date~~**~~"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.~~
(e) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B", Schedule "D", Schedule "E" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: I**nformation Technology, Telecom, Security and Energy Solutions** (the "**Intended Use**"), **and any other use permitted under the zoning and that conforms to the condo by-laws, rules and regulations,** and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the Fifth Business Day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

DATED at Toronto, this 20th day of November, 2025. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

17323271 Canada Inc.

Per: _____
Name: Ali Yarmohammadi
Title: President

Per: _____
Name:
Title:
I/We have the authority to bind the corporation

Purchasers' Address:

45 Owen Blvd. North York ON M2P 1G2

Purchaser's Telephone Numbers:

Home: (4168313330)

Business: (~~9057646666 ext 200~~)

Fax: (_____)

E-mail: ali@metrobit.ca
(favy@rogers.com)

Purchasers' Solicitor:

Name: _____

Address: _____

Tel: _____ Fax: _____

2352107 Ontario Inc.

Per: _____
Name: Paolo Attale Secretary, Director
Title:

I have authority to bind the Corporation.

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: Aaron M. English
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.

Demising Walls:

- 10 inch fire-rated wall from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 24 feet 6 inches, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Glass door with metal frames and vendor standard hardware
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

Warehouse Area:

- Heating will be provided by a gas forced air hanging unit, suitable for size of warehouse area as determined by Vendor engineers and consultants.

Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

Initials of Purchaser(s)

AY	

AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

THE UNDERSIGNED, being the Purchaser of the Unit described as Unit(s) I18, (the "**Unit**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated _____ and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

DATED at Markham, this 18 day of November, 2025.

17323271 Canada Inc.

Per: _____
Name: Ali Yarmohammadi
Title: President

Per: _____
Name:
Title:
I/We have the authority to bind the corporation

AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act*, *1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the corridors, the common shipping and/loading areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) "**Lands**" or "**Property**" shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M-4790, currently being parts of PIN Nos. 03620-1763 and 03620-1764 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia,* the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld or delayed. The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet, regardless of whether or not the Vendor provides the requested consent;

(v) The Vendor shall have the right to enter the Unit at all reasonable times (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of utilities in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s)/provider(s) or other third-party supplier selected by the Vendor in the form required by such utility monitor(s)/providers or other third-party supplier as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s)/provider(s) or third-party supplier prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule "B" attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium;

(iii) vary or modify the location of the Condominium within the overall project contemplated by the Vendor, including to locations on which one or more of the Standard Condominiums are currently contemplated to be located, or relocate the Purchaser's Unit to a different Condominium within the Standard Condominiums which new unit shall bear specifications substantially similar to the original unit; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading dock(s), common shipping and/or loading area(s), utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading dock(s), common shipping and/or loading area(s), utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in

nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Termination of Agreement**

Without in any way limiting the generality of the terms set out in Article 3 above or elsewhere in this Agreement, the Purchaser acknowledges and agrees that at any point in time prior to the Occupancy Date, the Vendor or any future owner of the Lands may by notice in writing to the Purchaser, for any other reason for which the Vendor or future owner of the Lands may deem necessary in its sole and absolute subjective discretion, including without limitation by reason(s) attributable to project conditions; unit sales; financial resources or eligibility; market conditions; or economic feasibility, terminate the development of the proposed Condominium (whether as part of a termination of the overall project or otherwise), at which time all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereon at the rate prescribed by the Act (if any), and the within Agreement shall have no further force and effect. In the event of termination by the Vendor under this provision the Purchaser shall be required and hereby covenants and agrees to forthwith execute and deliver (or cause to be executed and delivered) to the Vendor and to any mortgagee and/or deposit insurer of the Vendor a mutual termination and release together with all other documentation required by the Vendor, in form and content required by the Vendor, and the parties shall have no further liabilities or obligations hereunder, and neither the Vendor nor the Purchaser hereto shall thereafter be liable to the other for any obligations, costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such termination.

5. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) in the Vendor's sole and absolute subjective discretion. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be;

(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the

Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of ten thousand ($10,000.00) dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading or shipping areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading or shipping areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee**,** plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the

occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) inches high and twenty (20) inches wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

6. **No Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the "**ONHWPA**") and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA.

The Purchaser acknowledges and agrees that other than the Vendor's obligation to complete the Unit in a good and workmanlike fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage, twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

7. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

8. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

9. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

10. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "**Development Agreements**");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 10 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 10 or to evidence the survival of the terms herein set out.

11. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

12. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any

injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(b) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

13. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

14. **Adjustments and HST**

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor’s contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor's option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads;

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area;

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority (collectively, the "**Levies**"), and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor;

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor's solicitor's reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

(w) an amount equal to the Purchaser's proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the leasing of the generator(s) and/or boiler(s) for the Condominium prior to registration of the Declaration and Description; and

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto.

If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the

Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor's solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor's solicitor, by way of certified cheque(s) drawn on a solicitor's account and made payable to the Vendor's solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and/or any other service(s) attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility and/or the leasing of any equipment in connection thereof. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

15. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

16. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the

Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

17. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser's only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

18. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

19. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

20. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser's Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 20 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits

an amount apportioned to the Unit and the Purchaser on account of the Vendor's legal fees relating to such termination and the return of the Purchaser's deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance (but in any case not less than $10,000) as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

21. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

22. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

23. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this

undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

24. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

25. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser's expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor's consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor's solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser's solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor's solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser's solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor's solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor's Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor's solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

26. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this

transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor's tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

27. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

28. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the

Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

29. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5**,** with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

30. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

31. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

32. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

33. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 5:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

34. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future Development Agreements, including without limitation, a subdivision agreement and site plan agreement between the Vendor and the Municipality (the "**Subdivision Agreement**" and the "**Site Plan Agreement**", respectively) pursuant to the provisions of the Planning Act, R.S.O. 1990, affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses, in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such amendments or acknowledgements forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

(b) Without in any way limiting the precedent subparagraph or the various warnings and other provisions of this Section 34, as of the date of this Agreement the following is a list of those warning clauses and other provisions mandated by the Municipality for inclusion in this Agreement:

i. Purchasers are advised that there may be utilities, service boxes, hydrants, mailboxes, or other municipal services constructed adjacent to or upon boulevards in the vicinity of the Condominium. In addition, grading of the subject or neighbouring properties may require the construction of swales, slopes, retaining walls, rear yard catch-basins, fencing, or other devices. Certain services are not assumed by the Municipality. Such services are more particularly described under the terms of the Subdivision Agreement. For more detailed information please contact the Engineering Division of the Town of Aurora;

ii. Purchasers are advised that there are stormwater management controls that are specific to each block on the M-Plan as set out in the Subdivision Agreement to be registered on title to the Lands that are required to be satisfied to the satisfaction of the Municipality's Engineering Division prior to the execution of the Site Plan Agreement;

iii. Purchasers are advised that any public lands adjacent to their blocks are intended for the purpose of conservation and naturalization or stormwater management, and portions may be used for a public trail system and related amenities. These public lands are to remain as much as possible in their natural state. The Municipality will not be responsible for any inconvenience or nuisance which may present itself in relation to these public land and related amenities. Purchasers are further advised that encroachments of any kind will not be permitted and that fence gates or other means of access will not be permitted to access adjoining public lands from residential properties. Purchasers are advised the Vendor is responsible to install chain link fencing, as a requirement of the subdivision agreement, along the lot lines of all of the blocks abutting public lands. According to policy of the Municipality, chain link fencing shall be constructed on the municipal side of the Property boundary;

iv. Purchasers are advised that decorative entry features are to be installed on the Property. Further, Purchasers acknowledge receipt from the Vendor of details of the fencing to be installed on the Property, including:

a) location, design details, height, colour, and materials;
b) that the price of the entry feature is to be included in the purchase price of the Property;
c) the timing of the installation of the entry feature;
d) that the specifications of the fencing are in accordance with the approved urban design guidelines and the approved subdivision landscaping plans;
e) that the entry feature shall not be altered in any way;
f) that entry features will not be assumed by the Municipality; and,
g) that the Municipality will not be responsible for the maintenance, liability, inconvenience or nuisance associated with the entry feature which may present itself, and that maintenance and liability of the entry feature shall be borne solely by the registered owners of the Property that contain the entry feature;

v. Purchasers are advised that there are architectural controls for the design and construction of all buildings, walkways, landscaping and all other elements as set out in the Subdivision Agreement registered on title to the Lands that are required to be satisfied to the satisfaction of the Municipality's Planning Division prior to the Municipality's execution of the Site Plan Agreement;

vi. Purchasers are advised that the Vendor shall undertake and bear the cost of the following items and the Purchaser is not required to pay this expense:

a) street trees (trees planted in the town boulevards);
b) corner lot fencing as directed on the approved engineering plans;
c) rear lot fencing as directed on the approved engineering plans;
d) noise attenuation fencing and berms as identified in the approved;
e) noise Impact Study and the approved engineering plans;
f) fencing (if required) along school blocks and municipal blocks on the approved engineering plans; and
g) subdivision entry features and fencing (if any approved) as identified on the landscape plans approved by the Municipality;

vii. Purchasers are advised that a Green Building and Development Initiatives report, or equivalent, shall be submitted to the satisfaction of the Municipality prior to the execution of the Site Plan Agreement respecting the construction of buildings on the Lands;

viii. Purchasers are advised that cash-in-lieu of parkland applicable to the development of each individual block on the M-Plan shall be payable to the Municipality prior to building permit issuance at a rate of 1.513% per block valued as of the day before the day a building permit is issued in respect of any development on each block;

ix. Purchasers are advised that development charges shall be paid prior to the issuance of any building permits at the rates then prevailing;

x. Purchasers are advised that potential transit routes, bus-stops and shelter locations shall be achieved through distribution of information/marketing materials (YRT route maps, Future Plan maps & providing YRT website contact information) at sales offices and appropriate notification clauses in purchase agreements. The YRT route maps and Future Plan maps are available from YRT upon request;

xi. Purchasers are advised that mail delivery will be from a designated community mailbox, and to include the exact locations of each of these community mailbox locations; and further advise any affected homeowners of any established easements granted to Canada Post.

(c) The Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels, inclusive of any mezzanines, as applicable, to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal

belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs, illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor's operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John's Sideroad) and

accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor's construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser's successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other occurances, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands, including any publicly accessible walkway situated on or near the Standard Condominiums. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that any area of the Common Elements which is now or may later be deemed to be an overland drainage area shall be kept clear and shall not be used by the Corporation, or any Owner or occupant of the Condominium.

(w) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(x) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

35. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

36. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, including any mezzanine situated in the Unit, as applicable, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, mezzanine and ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

37. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

38. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

39. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

40. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

41. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser consents to the Vendor collecting and possessing the Purchaser's name and "personal information" (as such term is defined in the Personal Information Protection and Electronic Documents Act (Canada), as amended) obtained by the Vendor pursuant to and in connection with this Agreement. The Purchaser acknowledges and agrees that the aforesaid information has been provided to the Vendor with the Purchaser's knowledge and consent. In addition, the Purchaser(s) consents to the Vendor using, releasing, disclosing and/or retaining on file the Purchaser's name and personal information to: (a) a company or organization affiliated, associated or related to the Vendor, in order to provide the Purchaser with information relating to this project and other projects of such entities; (b) the Vendor's professional consultants (including, without limitation, the Vendor's solicitors, the Escrow Agent, the Vendor's accountants and auditors and to any systems or programs used by the Vendor or the Vendor's Solicitor to provide on-line delivery of interim occupancy and final closing documentation for the review and retrieval by the Purchaser's solicitor), lending institution(s) or other lenders for the purpose of arranging financing to complete the transaction contemplated by this Agreement, and any insurance companies providing or wishing to provide insurance coverage with respect to the Condominium or any portion thereof, or any of the shared facilities, or any of the Retail shared facilities; (c) any Governmental Authority, including, without limitation, the Canada Revenue Agency and the Ministry of Finance; (d) 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 Unit and the installation of any extras or upgrades ordered or requested by the Purchaser; and (e) the Condominium Corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the Condominium's property manager, if any, for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions

42. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

43. **Purchaser Selling or Assigning**

The Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in

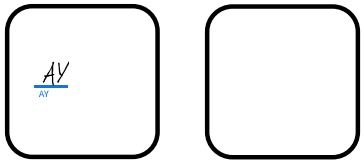
this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

44. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

Purchaser(s) initials





Ontario's Residential Condominium Buyers' Guide

Last Updated: November 6, 2020

Ontario's Residential Condominium Buyers' Guide - Using the Condo Guide

Purpose

According to section 72 (1) of the Condominium Act, 1998 (the "Condo Act"), Ontario's Residential Condominium Buyers' Guide ("the Condo Guide") prepared by the Condominium Authority of Ontario (CAO) is required to be provided to buyers of residential pre-construction/new condo units by the declarant ("developer") when buyers are purchasing from the developer or a person acting on behalf of or for the benefit of the developer. Purchasers of resale residential condo units may also wish to review the Condo Guide.

This Condo Guide has been approved by the Minister of Government and Consumer Services.

The purpose of the Condo Guide is to provide condo purchasers in Ontario with information and resources to make a more informed decision when purchasing a residential condo unit ("unit").

Under section 73(2) of the Condo Act, purchasers have a 10-day cooling off period in which they may rescind their agreement of purchase and sale. This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale and your disclosure documents and the Condo Guide. The CAO recommends that you carefully review the disclosure statement, agreement of purchase and sale, and the Condo Guide within the 10-day period.

The Condo Guide can be found below, commencing on page three with the table of contents, and will be updated from time-to-time. To confirm that you have the most up-to-date version, please visit the CAO website at www.thecao.ca.

Important Information Regarding Governing Documents

To make sure a particular condominium corporation ("condo corporation") is right for you, you may wish to read a condo corporation's existing or proposed governing documents, as applicable, before purchasing a unit. Information describing these governing documents, which consist of **1) the declaration; 2) the by-laws; and 3) the rules** is provided in the Condo Guide in Sections 1.1 and 3.3.

These documents, along with the rest of the disclosure statement (including the budget statement), and the agreement of purchase and sale, contain important information about what you are buying, and what you will need to pay for etc. This information may impact your decision to purchase a unit. If you have questions about the information contained in these documents, you may want to seek help from a legal professional.

Key Information for Buyers of Pre-Construction Residential Condo Units

To find information about buying a unit from a developer, you should review the following sections of the Condo Guide:

- Introduction
- Part 1.1: Before You Buy a Pre-Construction Condominium Unit
- Part 1.2: Buying a Pre-Construction Condominium Unit
- Part 1.4: Additional Considerations
- Part 2: Moving into a Pre-Construction Condominium Unit

For more information on rescission of agreements of purchase of sale within the 10-day cooling off period, please visit Part 1.2 of the Condo Guide.

Key Information for Buyers of Resale Residential Condo Units

To find information about buying a unit from an existing owner (i.e. a 'resale condo' that is not sold by the developer), you should review the following sections of the Condo Guide:

- Introduction
- Part 1.3: Buying a Resale Condominium Unit

Key Information for Condominium Owners

To find information about condo living and governance that may be helpful before or after your condo purchase, you should review the following sections of the Condo Guide:

- Part 2.3: Tarion and the Ontario New Home Warranties Plan Act
- Part 3: Condo Living
- Part 4: Resources for Issues Resolution

Next Steps

Given the importance of this buying decision and the many factors to the condo purchase process, along with your expectations for condo living, it is important that you carefully review the condo corporation's governing documents, the rest of the disclosure statement (including the budget statement), the agreement of purchase and sale, and this Condo Guide. Also, the CAO is encouraging condo owners to subscribe to our email list to receive important email updates from the CAO. You can subscribe by either clicking here.

Additional information on the above can also be found on the CAO's website at www.thecao.ca.

You may also wish to consider seeking legal advice for any questions or concerns that you may have.

Please note that the material in the Condo Guide should not be interpreted as legal advice.

This Condo Guide has been approved by the Minister of Government and Consumer Services and is intended to apply to the purchase of new and pre-construction residential condominium units beginning on January 1, 2021.

Ontario's Residential Condominium Buyers' Guide

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Introduction

What is a Condominium?

When most people hear the word “condo” they may think of a single residential tower or maybe a townhouse, but what “condo” really refers to is a specific kind of real estate ownership structure that involves shared ownership of common elements and community decision making. This means that a condo could resemble a park, parking lot, or even an empty field. If you are considering purchasing property in a condo corporation, it is important to understand upfront that condo living involves shared ownership and therefore a responsibility to your community.

Unlike when you own a traditional house, when you purchase a condo you become part of a condo community and become responsible for paying your share of the common expenses and complying with the condo corporation’s governing documents, among other things. You will also be able to participate in condo governance by, for example, voting for directors.

A “condo” is also a type of corporation. A condo corporation is responsible for making decisions about the condo property on behalf of the owners. A condo corporation may also get a condo manager/management services provider to help manage the property and the affairs of the corporation on the corporation’s behalf. The condo property is described in certain documents that must be completed and officially registered to establish the condo corporation. Those documents specify how the land is divided into units and common elements, as applicable. The owner of the land where the condo corporation is being established arranges for those documents to be registered with a Land Registry Office. That owner is known as a “declarant”, who may be the developer of the land. The condo owners (e.g., unit buyers) are the members of the condo corporation. The Condo Act sets out rights and responsibilities related to the management of a condo, including rights and responsibilities of condo owners and condo boards.

Condo corporations are created for many different uses including for residential, commercial, industrial, or mixed-use purposes.

Different Kinds of Condominiums

The Condo Act outlines various types of condo corporations. There are two main categories of condo corporations: freehold and leasehold. Freehold condos are condo corporations where the condo property is owned by the condo owners. Leasehold condos are condo corporations on leased land. Owners have a leasehold interest in units and common elements but do not own the land. Under the Condo Act, there are **four** different types of freehold condos:

1. Standard Condominium

- The most common type of condo corporation in Ontario.
- Has individual units.
- May include common elements, which often include areas such as a foyer, exterior walls, and amenities (e.g., pools, gardens).

2. Phased Condominium

- A condo corporation that is intended to be built and registered in phases.
- New units and common elements are constructed and added to the condo corporation.
- Upon completion, a phased condo corporation becomes a standard condo corporation.

3. Vacant Land Condominium

- The units may be vacant lots at the time of purchase, and the layout of the lands may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.
- The developer can sell the lots as vacant or build (e.g., homes) on the lots and sell the lots with buildings on them.

4. Common Elements Condominium

- There are no units in this type of condo corporation. Instead, ownership is of a common interest in the common elements of the condo corporation by a separate parcel of land that is "tied" to the common elements corporation.
- Owners purchase a part of a common elements. Examples include shared roads, golf courses, or ski hills.

Leasehold Condominium

- Developed on land that is leased for a term between 40 and 99 years.
- Common expenses include a portion of the rent payable to the landowner.
- Once the lease expires, the owners' rights to occupy their units are automatically terminated.
- Leasehold condo corporations may be less common in Ontario.

It is important to note that the Condo Act has some different requirements for different types of condo corporations.

Part 1: Buying a Condominium Unit

1.1 Before you Buy a Condominium Unit

One of the most important steps you can take before you buy is to educate yourself and get the help you need to make an informed decision. Consulting this Condo Guide is a good start, but it is also important to seek legal advice before you buy. Buying a condo is a complex process and involves reviewing lengthy and sometimes difficult-to-understand documents. Seeking legal advice is the best way to ensure you are making an informed decision.

Reviewing a condo corporation's governing documents provides an opportunity to learn important information about the condo corporation you are considering. The information found in a condo corporation's governing documents may be key to your enjoyment of your unit and could have an impact on your buying decision. For more information on governing documents, including the 1) the declaration; 2) the by-laws; and 3) the rules, see section 3.3.

Researching builders is another important step you may wish to take before purchasing a pre-construction unit. It is important to ensure that the builder you plan to buy a unit from is licensed by Tarion (Ontario's new home warranties and protections administrator – for more information see section 2.3 of this Condo Guide).

Tarion's Ontario Builder Directory is a useful resource for confirming the status of the builders before you buy. Please note that the Ontario Builder Directory will be available through The Home Construction Regulatory Authority (HCRA) starting in early 2021.

The HCRA is an independent, not-for-profit corporation that is preparing to potentially be designated as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If a regulatory authority is designated, Tarion would cease to provide this function, subject to potential exceptions during transition. At this time, it is expected that the future regulatory authority would be operational in early 2021.

1.2 Buying a Pre-Construction Condominium Unit

Documents to Review

Along with reviewing the information in this Condo Guide, it is important to review and fully understand the information in the following documents that are generally required to be provided to purchasers by developers:

1. **Pre-construction Agreement of Purchase and Sale**

The agreement of purchase and sale, sometimes referred to as the purchase agreement, contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations, the unit, and the condo construction project. You may wish to review this document carefully with a legal professional.

2. **Tarion's Information Sheet for Buyers of Pre-Construction Condominium Homes about the Possible Termination of Purchase Agreement**

All buyers of residential units in a standard or phased pre-construction condominium project where the first arm's length purchase agreement for the project was signed on or after January 1, 2020 must be given an information sheet that includes an outline of the possible risks of buying a unit in a pre-construction condominium project, in addition to other information (e.g., the estimated occupancy date for your unit and the status of construction).

3. **Tarion Addendum**

The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to. Information contained in the Tarion Addendum includes the delayed occupancy warranty provided by the builder, in accordance with the Ontario New Home Warranties Plan Act. The Tarion Addendum also contains a Statement of Critical Dates and early termination conditions that apply to the

agreement. In a disagreement or dispute about information contained within the agreement of purchase and sale and the Tarion Addendum, the Tarion Addendum prevails over the agreement of purchase and sale document and any other attachments to the extent of any conflict or inconsistency.

4. **Disclosure Statement**

Another very important document to review and understand is the disclosure statement which the builder is required to provide to condo buyers who buy directly from the developer or a person acting for the developer's benefit. This is required under section 72 of the Condo Act. Your agreement of purchase and sale is not binding on you as a buyer until you receive the disclosure statement and this Condo Guide from the developer.

The disclosure statement includes a lot of important information, including but not limited to:

- A copy of the existing or proposed declaration, by-laws, and rules for the condo corporation.
- A summary of the agreements to be entered into by the builder before the turn-over meeting, including agreements for condo management services and services like repairs and landscaping, and
- A copy of the budget statement for the first year after registration of the condo corporation.

It is important to carefully review the disclosure statement, consult with a legal professional about it and ensure that you do not have any outstanding questions.

Deposits

Generally, under the Condo Act, funds received by the builder of a condo project must be held in trust. This includes deposits and certain other payments covered by the purchase agreement.

If a project is terminated, the builder is generally required under the Tarion Addendum to refund all monies paid, plus interest, if any, calculated in accordance with the Condo Act (for information on the interest rates, see section 19 (3) of Ontario Regulation 48/01 under the Condo Act).

If the money is not refunded, then buyers may be able to make a claim to Tarion under the *Ontario New Home Warranties Plan Act*. Deposits and other payments by residential condo buyers are protected under the *Ontario New Home Warranties Plan Act* for up to a maximum of $20,000.

For more information about deposit protection, please click here.

Cooling Off Period and Rescission of Agreement

Section 73 of the Condo Act provides you as a buyer with a cooling off period of 10 days to consider whether you want to proceed with the purchase. Section 73 allows you to rescind the purchase agreement by notifying the developer of your wish to do so within the 10-day cooling off period.

This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale executed by the declarant and the purchaser and your disclosure documents and Condo Guide. Within the 10-day cooling off period, you have the right to rescind or cancel the purchase agreement that you have signed for any reason whatsoever. Generally, you should also be refunded, without penalty or charge, all money deposited toward the purchase price, along with any applicable

interest (for information on the interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

Additionally, the Condo Act provides for a further rescission right where there is a material change in the disclosure statement. If there is a material change (i.e. an important change that would have caused a reasonable buyer to no longer want to proceed with the purchase, had that information been included in the disclosure received by the purchaser), then you may be able to rescind or cancel your purchase agreement during an additional 10-day cooling off period. This 10-day cooling off period starts from the later of:

1. the date that the declarant has delivered a revised disclosure statement or a notice to you confirming the material change;
2. the date that you otherwise become aware of the material change; or
3. the date that the Ontario Superior Court of Justice has determined that a material change has occurred.

Occupancy Dates & Delayed Occupancy

A page of the Tarion Addendum within your agreement of purchase and sale contains a Statement of Critical Dates which must be signed by both the condo buyer and the builder. The Statement of Critical Dates sets out when the builder expects to finish the unit and the latest dates for permitted extensions. You should review these dates closely including the firm occupancy date and the outside occupancy date.

Note that condo construction can sometimes be delayed, which means you may not be able to take occupancy of your unit on the anticipated occupancy date set out in the agreement. This is called delayed occupancy.

Your new home warranty coverage includes delayed occupancy coverage in certain circumstances. Details on the delayed occupancy warranty are provided in the Tarion Addendum in your agreement of purchase and sale.

For more information about occupancy dates and delayed occupancy warranty, visit Tarion's webpage.

Condo Cancellations

Pre-construction condo projects can sometimes be cancelled even after you have made a deposit on your purchase. This is because there are many stages in building a condo that may remain to be completed after you have made a deposit. The Tarion Addendum forming part of your purchase agreement must set out any conditions that may result in the condo not proceeding and therefore the potential termination of the purchase agreement. In these cases, it is the vendor who would terminate the agreement.

These conditions may include, but are not limited to:

- Failure to sell enough units,

- Inability to secure financing for the project, or
- Delays in obtaining the required building or planning approvals.

It is important for you to be aware of the potential conditions when you are thinking of entering the purchase agreement. Buyers may wish to review the Tarion Addendum for identification of early termination conditions applicable to their purchase agreement.

In most cases, if a condo project is cancelled, buyers are entitled to get their deposit back, plus any accrued interest, if applicable. The Condo Act also provides for interest to be paid based on an interest rate calculation (for more information on those interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

For more information on condo cancellations, please click here.

1.3 Buying a Resale Condominium Unit

Purchasing a resale unit involves buying a unit from the current owner rather than from the developer. If you are thinking of buying a resale unit, it is important to do your research on the unit and condo corporation before making any decisions and consult a legal professional. **Before purchasing a unit, you may wish to consider the following:**

- **The status of the reserve fund and age of the building.** A reserve fund is required to ensure that the condo corporation has enough money to pay for major repairs and replacement of the common elements and assets of the condo corporation. It is important to note if the building will require any significant repair, maintenance or updating with its age and the plan for addressing those issues. You should consider the health of the reserve fund and review what is your responsibility to repair and maintain.
- **Common expenses**. This is the amount unit owners pay toward the operation of the condo corporation (e.g., security costs, cleaning costs, etc.) and contributions to the reserve fund. It is important to incorporate common expense fees into your budget when considering purchasing a condo. Common expense fees may change over time depending on the needs of the condo corporation.
- **The units and common elements**. The size, layout, and boundaries of the unit and the common elements generally will not change. You may wish to consider what is your responsibility to repair and maintain. For more information on units and common elements, see section 3.5 of this Condo Guide.
- **Amenities.** Consider that, in general, all the owners must pay for the common elements, regardless of whether you use them or not.
- **Litigation.** It is important to be aware of any litigation against the condo corporation or that the condo corporation is a party to, as owners generally will be responsible for the costs. If the condo corporation cannot cover the costs with the operating fund, a special assessment (an extra one-time charge added to an owner's common expenses) may be required. You can

learn about on-going litigation by requesting a status certificate from the condo corporation, which is described in the next section.

- **New Home Warranty Information.** You may wish to consider whether the unit is still covered by any remaining new home warranties and protections under the *Ontario New Home Warranties Plan Act*. There are three different warranty periods that cover different types of defects, the longest of which is seven years. The maximum statutory coverage available is $300,000. More information about new home warranties and protections can be found on the Tarion website. To check the status of your home's warranty you may wish to contact Tarion by phone (toll free) 1-877-982-7466 or via e-mail at ismyhomecovered@tarion.com.

Documents to Review

- **The condo corporation's governing documents.** You will be required to abide by your condo corporation's declaration, by-laws, and rules. For more information see section 3.3 of this Condo Guide.
    - The declaration is the foundational document of the condo corporation and includes, among other things, the proportion which each unit owner contributes to common expenses and the repair and maintenance responsibilities of owners vs. the condo corporation. The declaration may also include information about how units and common elements can or cannot be used. The existing or proposed declaration will be included in the disclosure statement you receive from the developer when purchasing a pre-construction/new condo.
    - The by-laws may lay out how the condo corporation governs itself and how the condo corporation operates (e.g., some of the requirements for electing directors).
    - The rules may govern what the owners and occupants can and cannot do in their specific condo community in certain circumstances (e.g., for safety reasons).

- **Status Certificates.** A status certificate is an important document for purchasers of resale condos containing information about a specific completed condo unit and the condo corporation to which it belongs. Any person can request a status certificate for a unit from a condo corporation. A condo corporation can charge up to $100 (including all applicable taxes) for the status certificate. The condo corporation must provide the status certificate within 10 days of receipt of the request and payment for it.

  Status certificates are particularly important for prospective buyers of resale units because they contain important information, such as:

    - A copy of the condo corporation's current declaration, by-laws, and rules.
    - A copy of the budget for the current fiscal year, the last annual audited financial statements and the auditor's report.
    - A statement of the most recent reserve fund study.
    - A statement of the common expenses for the unit and whether the unit is in arrears of payment.
    - If the common expenses for the unit have increased since the current year's budget was prepared, a statement of the increase and the reason.

- If an assessment has been charged against the unit since the current year's budget was prepared, a statement of the assessment and the reason.
- The address for service for the condo corporation (e.g., the address where the condo corporation receives mail).
- The names and addresses for service for the directors and officers of the condo corporation.
- A certificate of insurance for each of the current insurance policies.
- Information about certain legal issues that may affect the condo corporation (e.g., whether there are outstanding legal judgments against the condo corporation, or if the condo corporation is involved in any ongoing litigation).

You can also access key information on any condo corporation in the province through the CAO's Public Registry. You may wish to consider speaking to a legal and/or real estate professional when considering purchasing a resale condo and before signing any documents.

1.4 Leasing Your Unit

Leasing out a condo unit is an option that many condo owners use at some point during their time as a condo owner, however, there are special considerations that you must keep in mind if you choose to lease out a condo unit. In Ontario, the *Residential Tenancies Act, 2006* outlines the rights and responsibilities of landlords and tenants who rent residential properties. The *Commercial Tenancies Act* applies to leasing commercial properties.

It is the responsibility of the unit owner to ensure that the renter abides by the condo corporation's declaration, by-laws, and rules. Additionally, a unit owner must, within 10 days of entering the lease or the renewal of the lease, provide the renter with these documents. Section 83 (1) of the Condo Act requires that an owner also notify the condo corporation that the unit has been leased within the same timeframe, and provide the renter's name, the unit owner's address and a copy of the lease or renewal or a summary of the lease or renewal. A form is available on the CAO's website which will allow you to easily communicate this information to a condo corporation.

If you plan on leasing your unit you must also be aware of restrictions that the condo corporation's governing documents may place on owners in relation to leases. For example, the condo corporation could have minimum terms for unit leases to prevent the units in the condo corporation from being used as short-term rentals.

Part 2: Moving into a Pre-Construction Condominium Unit

2.1 Interim Occupancy

Interim occupancy occurs in pre-construction condo projects when the developer/builder lets the buyer take occupancy in the unit before the declaration has been registered and the title can be transferred to the buyer. During interim occupancy, you cannot make mortgage payments until the condo corporation is registered.

As your building nears completion, your developer/builder will advise you of your interim occupancy date. On the interim occupancy date, you can live in your unit, but it is important to note that you do not own it yet. Ownership of your unit can only be transferred to you once the condo corporation has been registered.

During the interim occupancy period, you will be required to pay the developer/builder an interim occupancy fee, regardless of whether you move into the unit or not.

The interim occupancy fee cannot be more than the total of:

- The interest (calculated monthly) on the unpaid balance of the purchase price at the prescribed interest rate;
- The estimated monthly municipal taxes for the unit; and,
- The projected common expense fees for the unit.

For additional information regarding interim occupancy, click here.

2.2 Creating the Condominium Corporation

Condominium Registration Process

Condo corporations are created when the developer registers the declaration and description with the Land Registry Office. Some registration requirements vary by the type of condo corporation being proposed (e.g., phased, common elements etc.).

The declaration and description are legal documents that contain fundamental information about the condo corporation and the property. The proposed or existing declaration must be included in the disclosure statement provided to you by your developer. You may wish to review this carefully.

The **declaration** will contain information such as:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The **description** defines the units and the common elements and specifies the boundaries between them. The description will contain information such as:

- A survey showing the boundaries of the property;

- Diagrams showing the shape and dimensions of each unit; and
- Specification of the boundaries of each unit and what is considered part of the common elements.

The Condo Act requires developers to take all reasonable steps to finish construction and register the condo corporation without delay.

More information about the declaration and description as well as your condo corporation's other governing documents can be found in section 3.3 of this Condo Guide, or by clicking here.

Declarant-controlled boards

*Please note that, for ease-of-understanding the Condo Guide uses the term "developer" throughout in place of the term "declarant", which is used in the Condominium Act, 1998. This section will use both as the term "declarant-controlled board" is used often in materials related to pre-construction and new condo projects.

Within ten days after the condo corporation has been registered, **the declarant (who is generally your developer/builder)** is required to appoint at least three individuals to make up the condo corporation's first board of directors. This first board is called the declarant-controlled board. The declarant-controlled board is responsible for carrying out all normal board duties until the declarant ceases to own a majority of the units in the condo corporation. For example, the declarant-controlled board may propose or make by-laws and rules. More information about condo boards and condo board duties can be found in section 3.2 of this Condo Guide.

Once the declarant ceases to own a majority of the units, the declarant-controlled board is required to call a meeting of the owners to elect a new board within 21 days. The meeting must then be held within 21 days of being called, meaning that the meeting must occur within 42 days of the declarant no longer owning a majority of the units. This meeting is called a turn-over meeting.

Turn-over Meetings

The turn-over meeting is an important meeting for the condo corporation because the turn-over meeting must cover two important items:

- The turn-over of important documents from the declarant (i.e. generally your developer or builder) to the condo corporation, and
- The election of the first owner-controlled condo board of directors.

The declarant is responsible for turning over important documents at the turn-over meeting such as:

- The condo corporation's minute book (a minute book is the primary record of a condo corporation's meetings);
- The condo corporation's declaration, by-laws, and rules;
- Agreements already entered into on the condo corporation's behalf;

The declarant must turn over other important information within 30 days of this turn-over meeting, such as:

- All financial records of the condo corporation and of the declarant for the condo corporation from the date of registration onwards;

- A copy of any reserve fund studies conducted to date (if any); and
- A copy of the most recent disclosure statement.

Within 60 days after the turn-over meeting, the declarant must also turn over audited financial statements.

Additionally, at the turn-over meeting, unit owners will vote for new board members. For certain requirements related to a turn-over meeting, see section 43 of the Condo Act.

First-Year Budget

According to section 72 of the Condo Act, the declarant (i.e. generally your developer or builder) is responsible for preparing, and including in the disclosure statement, the first-year budget (also referred to as the budget statement) which covers the one-year period immediately following the registration of the declaration and description. Information included in the first-year budget should include, among other things:

- The projected common expenses for the condo corporation;
- The particulars of the type, frequency, and level of services to be provided;
- The projected costs of the performance audit;
- The projected monthly common expense contribution for each type of unit;
- The projected cost of the first reserve fund study; and
- The costs of preparing the audited financial statements.

Overall, the first-year budget is meant to give you a good idea of the expenses you can expect to pay in addition to the cost of buying your unit.

Additionally, section 75 of the Condo Act requires that the declarant be accountable for the first-year budget. After receiving the audited financial statements for the period covered by the first-year budget, the board has 30 days to compare the actual expenses with the first-year budget prepared by the declarant. If there is a shortfall (i.e., there are less funds projected based on the first-year budget than the actual first year expenses), the declarant may be responsible for the shortfall.

2.3 Tarion and the Ontario New Home Warranties Plan Act

What is Tarion?

Tarion is an independent not-for-profit corporation with responsibility for administering the *Ontario New Home Warranties Plan Act*, including warranties and protections claims. Until early 2021, Tarion also serves the function of licensing new home builders and vendors.

For more information on Tarion, please visit their website by clicking here.

What is The Home Construction Regulatory Authority?

The Home Construction Regulatory Authority (HCRA) is an independent, not-for-profit corporation that is preparing to potentially be designated by the Ontario government as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If the HCRA is

designated, Tarion would cease to regulate builders and vendors, subject to potential exceptions during transition. Tarion would remain responsible for warranty administration. At this time, it is expected that the future regulatory authority would be operational in early 2021.

For more information on the HCRA, please visit their website by clicking here.

New Home Warranties Plan Act and Coverage

Tarion's legal responsibilities and mandate come from the *Ontario New Home Warranties Plan Act*. In Ontario, all new residential condos are required to be enrolled in the Ontario new home warranty and protection program, administered by Tarion. If you purchase a new condo and there are warrantable defects (e.g., construction issues, unfinished work, etc.), you can report these to Tarion and your builder. If your builder does not fix the defects, Tarion may provide warranty assistance, if the item is warrantable. Be sure to visit the Tarion website for a breakdown of new home warranty and protection coverage and more information.

For more information about new home warranty coverage click here.

Information for purchasers of units in residential condominium conversions is available here.

The common elements of most condos are also covered by Tarion's warranties. If a common element requires warranty coverage, the condo corporation will address the issue (rather than any one individual owner). Section 44 of the Condo Act requires that between the six- and ten-month mark following the registration of the declaration, the board must appoint an engineer or architect to conduct a performance audit. This audit must be submitted to Tarion which will allow the corporation to make claims regarding issues with the common elements. If the corporation does not file in time, it will be impossible to make claims under the Tarion warranty program. It is common that the condo board directors appoint an individual to manage this process on behalf of the board.

To access more information on the common elements warranty process, please click here.

Pre-Delivery Inspection

A very important step for identifying potential issues or deficiencies is the pre-delivery inspection (PDI). A PDI is your chance to raise issues you notice with your new condo, such as incomplete construction, a damaged area, or an element of poor workmanship of the unit.

During the inspection, the builder of the condo will take you to inspect the new unit and may demonstrate the internal systems (such as air conditioning) of your unit. If you identify a defect during your PDI, your builder should note it on the PDI Form to establish that it existed prior to closing and thus was something not caused by you. It is your builder's responsibility to list these items and provide you with a copy of the completed PDI Form.

The PDI form is an important document, as it will be the official record of the state of your home before you move in, so keep your copy in a safe place. However, the PDI form is not an official warranty form and any items that are not corrected by the time you move in need to be listed on a 30-Day or Year-End Form.

Builder Registration/Licensing

Under the *Ontario New Home Warranties Plan Act*, all new home builders and vendors must be registered with Tarion and enroll their homes in the Ontario new home warranty and protection program.

In early 2021, the Home Construction Regulatory Authority (HCRA) is expected to be designated as the new regulator for new home builders and vendors. As the regulator of new home builders and vendors upon designation, the HCRA would be responsible for receiving and responding to any licensing related inquiries or complaints regarding a builder or vendor. Tarion would remain responsible for any warranty-related inquiries or complaints.

Until early 2021, Tarion will maintain an Ontario Builder Directory of all new home builders and vendors. Buyers of new homes are encouraged to check the Ontario Builder Directory to ensure their builder or vendor is registered with Tarion.

In addition, the Ontario Builder Directory includes information about condominium projects retroactive to January 1, 2018, including cancelled condominium projects and the status of each condominium project (i.e., completed, in progress or cancelled).

If the HCRA is designated by the Ontario government as the new regulator for new home builders and vendors, the HCRA would become responsible for the Ontario Builder Directory once it is operational in early 2021.

Part 3: Condominium Living

3.1 Introduction to Condominium Living

Your Unit and Common Elements

In a condo corporation, as an owner, you typically own your individual unit and collectively share in the ownership of and expenses for the common elements.

Unlike units, common elements may not be for the exclusive use of a particular unit owner. Common elements may include parking garages, elevators, lobbies, and much more. They may also include structural elements like the walls between the units, doors, plumbing and electrical work.

Exclusive Use Common Elements

Certain common elements may be for the exclusive use of a particular condo owner. These are called exclusive-use common elements. An example of an exclusive-use common element may be the balcony of a unit. Although a condo owner might think of a balcony as part of their unit, it could be an exclusive-use common element.

Every condo corporation is unique in the breakdown between units and common elements. If you are unsure about what constitutes a common element in your condo corporation, you can refer to your condo declaration.

Rights and Obligations of Owners

Condo owners in Ontario have rights and obligations that you should be aware of before purchasing a unit:

Rights

- Attending and voting at owners' meetings;
- Seeking election to the condo board, if qualified under the Condo Act;
- Reviewing certain records of the condo corporation, such as certain financial statements and meeting minutes;
- Requisitioning an owners' meeting in certain circumstances;
- Using the common elements and amenities of the condo corporation in accordance with the Condo Act and the condo corporation's declaration, by-laws, and rules; and
- Requesting that an item be added to an owners' meeting agenda.

Obligations

- Complying with the Condo Act and the condo corporation's declaration, by-laws, and rules;
- Repairing and maintaining your unit in accordance with and subject to the Condo Act and the condo corporation's declaration and by-laws;
- Paying your common expense fees on time;
- Notifying the condo corporation if your unit is leased; and
- Attending and voting at certain meetings.

Click here for more information on condo ownership.

3.2 Condominium Governance

Board of Directors and Board Responsibilities

The board of directors of a condo corporation that is turned over is an elected group of people that is responsible for governing the affairs of the condo corporation. The board of directors will ideally play a critical role in supporting a positive, healthy condo community and ensure that the condo corporation and its assets are well managed and maintained.

The board has certain responsibilities such as:

- Setting the condo corporation's annual budget;
- Making most decisions about how the condo corporation will spend its money, including selecting contractors or service providers your condo corporation will work with;
- Hiring and overseeing the work of a condo manager (should your condo corporation decide to get a condo manager);
- Ensuring required maintenance and repairs are carried out;
- Hiring specialists, such as engineers, to conduct reserve fund studies;
- Proposing changes to the condo corporation's rules and/or by-laws;
- Giving various notices to owners; and
- Making decisions related to the condo corporation's finances.

A condo's board is usually made up of owners in the condo corporation (but can include non-owners depending on the provisions of the condo corporation's by-laws). Directors are elected by the owners and serve for defined terms. Directors must seek re-election when their term expires if they want to remain on the board.

Duties of Directors and Required Disclosures

Board directors are responsible under section 37 (1) of the Condo Act to exercise their power or carry out their duties for the condo corporation with a standard of care. This means directors have a duty under the Condo Act to:

- Act honestly and in good faith; and
- Exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

A condo corporation may also have a code of ethics outlined in a by-law. A code of ethics will govern matters such as conflicts of interest, confidentiality, and standards of behaviour at board meetings.

Individuals looking to become directors (i.e. candidates) must meet disclosure requirements listed under section 11.6 of Ontario Regulation 48/01 as well as any such requirements listed in the by-laws of the condo corporation. To qualify as a candidate an individual must disclose, among other things:

- Whether the candidate (or their spouse, child or parent) is party to a legal proceeding in which the condo is also a party;
- Whether the candidate has, directly or indirectly, an interest in a contract or transaction that the condo corporation is a party to;
- If the candidate is a unit owner with common expense fees in arrears for 60 days or more; and
- Whether the candidate has been convicted of an offence under the Condo Act or under the regulations within the preceding 10 years, a statement of that fact and a brief general description of the offence.

A director is immediately disqualified if they do not meet certain disclosure obligations. In addition, directors may be disqualified if they meet any of the criteria listed in section 29(2) of the Condo Act (e.g., they have the status of bankrupt).

More information regarding director disclosure obligations can be found on the CAO website here.

For a full list of disclosure obligations, please see 11.10 of Ontario Regulation 48/01.

Election Process

Aside from the developer-appointed directors, and instances where an individual is appointed to the board by the existing directors, directors are elected by the owners at a meeting, such as a turn-over meeting, an annual general meeting, a requisitioned meeting, or a meeting called specifically for elections due to loss of quorum. Directors usually serve for three-year terms, but this period may be shorter, depending on a condo corporation's by-laws. Once their term is over, they must seek re-election to continue to act as a board member.

Requirements for Being a Director

Before a candidate can become a director, there are a few requirements that must be met. The candidate must:

- Be an individual;
- Be at least 18 years old;
- Not have a status of bankrupt;
- Not have been found incapable of managing property;
- Not have been found incapable by a court; and
- Meet the required disclosure obligations, as mentioned above.

Once an individual becomes a director, they can be immediately disqualified from their position if, for example:

- They are bankrupt;
- They have been found incapable of managing property or found incapable by a court;
- They have a certificate of lien registered against their unit that has not been discharged within 90 days;
- They failed to complete the mandatory director training within six months; or
- They failed to comply with mandatory disclosure obligations.

Note that different condo corporations may have additional requirements for directors. You may wish to check your condo corporation's by-laws for more information.

Director Training Requirements

All directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program provided by the Condominium Authority of Ontario (CAO) within six months of their appointment, election, or re-election, and at least once every seven years. Director training is provided for free and is easily accessible online on the CAO website.

Directors who fail to complete the training within the six-month timeframe are immediately disqualified from their board and cease to be a director.

Although director training is mandatory for directors, director training is not just for condo directors. It is available to any individual and contains plenty of useful information regarding condo living and condo governance.

If you wish to know more about director training, please click here for more information.

Meetings and Quorum

Condo meetings can be divided into two types: owners' meetings and board meetings. The Condo Act requires that a minimum number of participants be present at meetings, which is called "quorum". Without quorum, voting cannot take place, however discussion on relevant business is still permitted. Note that a corporation may also be able to make by-laws with respect to meetings, including with respect to quorum and voting. For owners' meetings, owners can either attend in person or by proxy. For more information on proxies, see **Voting by Proxy and Voting Method** below.

Owners' meetings are meetings in which all condo owners are invited to attend. The following are the most common types of owners' meetings:

- **Annual General Meetings** (AGM) are annual meetings where the board has the chance to report to owners on matters such as the financial health of the condo corporation. The AGM

also gives owners the opportunity to discuss matters that are relevant to the business of the condo corporation. The following items may be on the agenda at an AGM:

- Approval of the minutes of the previous AGM;
- Review of year-end audited financial reports;
- Selection of the condo corporation's auditor for the next fiscal year;
- Report of the board of directors regarding matters like past performance;
- Major upcoming projects (e.g., repairs or renovations), potential by-law changes and ongoing issues; and
- Election of directors.

The standard quorum for an AGM is the owners of 25% of the units. If the quorum is not reached on the first two attempts to hold the AGM, the quorum is reduced to 15% on the third and on any subsequent attempts unless the by-laws specify otherwise.

- **Owner-Requisitioned Meetings** are meetings that the board is required to call at the request of the owners of the condo corporation. All owners can attend. Some examples of why owner-requisitioned meetings may be called include:
  - Voting on a proposed rule;
  - Discussion of an emerging issue (e.g., the behaviour of owners, residents, or guests); or
  - The removal and replacement of a director before the expiry of that director's term.

  Information related to requisitioning a meeting of owners can be found under section 46 of the Condo Act. Other sections also may be relevant.

  More information on requisitioning a meeting can be found here.

- **Board Meetings** are meetings attended by the condo board to manage the affairs of the condo corporation. The only people who are entitled to attend board meetings are the directors, however, condo boards may invite individuals to attend board meetings as guests. A condo's board of directors can only conduct condo related business at a board meeting. Before any condo business can be conducted, the board must make sure there is a quorum of directors attending the board meeting. For board meetings, quorum is a majority of the total number of positions on the board. For example, if there are 3 positions on the board, quorum would be 2 board members in attendance at the board meeting.

Voting by Proxy and Voting Method

At owners' meetings, votes may be held regarding condo business.

Unless the Condo Act provides otherwise, at a meeting, votes may be cast by:

- A show of hands, personally or by proxy
- A recorded vote that is:
  - Marked on a ballot cast personally or by a proxy;
  - Marked on an instrument appointing a proxy; or
  - Indicated by telephonic or electronic means if the by-laws so permit.

If you are an owner who cannot attend a meeting but still want to participate in decision-making, you can enable somebody who will attend the meeting to vote for you. This individual is called a proxy (who need not be an owner in your condo corporation). You can appoint a proxy by completing a legal document called a proxy form and giving the form to the proxy. You can create only one proxy per unit. If you co-own your unit, the proxy represents all owners of the unit.

A form is available on the CAO website which gives instructions on how to use a proxy, and how a proxy can vote in a meeting.

Notices

A condo corporation must provide various notices to owners to make owners aware of upcoming owners meetings. There are a variety of notices required under the Condo Act, such as:

- **Preliminary Notice of Meeting:** The Preliminary Notice of Meeting must be delivered to owners at least 20 days before a Notice of Meeting. The Preliminary Notice will, among other things, let owners know that a Notice of Meeting will be sent, state the purpose of the meeting, and, if applicable, request that individuals interested in being candidates for director positions notify the board in writing.

  More information about a Preliminary Notice of Meeting can be found by clicking here.

- **Notice of Meeting:** The Notice of Meeting must be delivered to owners in writing at least 15 days prior to the day of the meeting. A Notice of Meeting of owners will include the date, time, and place of the meeting. It must also identify the business to be discussed, among other things. No vote can take place on an item, other than routine procedure, that was not disclosed in the Notice of the Meeting.
    - If an owner wishes to receive notices electronically, they must provide an Agreement to Receive Notices Electronically form, and the condo corporation must have a statement of this method of receiving notices in the record of owners and mortgagees (unless the Condo Act provides otherwise).

  More information about the Notice of Meeting can be found on the CAO website here.

Information Certificates

Information Certificates help ensure that condo owners receive important information about the state of the condo corporation throughout the year. Information certificates can be broken down into three types:

- **Periodic Information Certificate (PIC).** Sent out twice per fiscal year to all owners (within 60 days of the end of the first quarter and 60 days of the end of the third quarter). Includes key information about the condo's board, finances, insurance, reserve fund, legal proceedings, and other matters.
- **Information Certificate Update (ICU).** Sent to owners if there are certain key changes before the next scheduled PIC (such as changes in the directors or officers of the condo corporation). To be distributed within 30 days of the change.

- **New Owner Information Certificate (NOIC).** Sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation. A NOIC covers the most recent PIC and any subsequent ICUs.

Condo corporations may be able to pass by-laws related to PICs and ICUs.

More information on Information Certificates can be found on the CAO website here.

Records Requirements and Process to Request or Examine Records

As a condo owner, you have the right to access certain records regarding how the condo corporation is managed. It is the condo board's duty to ensure that adequate records are kept and that they are retained for the legally required amount of time. If an owner wants to access certain records, they must use a Request for Records form. In their request, they can specify whether they wish to review records or request copies of records and they can indicate whether they would like electronic or paper copies.

As an owner, you may have the right to access:

- Your condo corporation's declaration, by-laws, and rules;
- The financial records of your condo corporation;
- The minute book containing the minutes of owners' meetings and the minutes of board meetings;
- A copy of the returns or notices of change that the condo corporation has filed with the CAO;
- All lists, items, records, and other documents from your condo corporation's turn-over meeting;
- A list of the names of the owners of each unit in the condo corporation and their address for service;
- All reserve fund studies and all plans to fund the reserve fund;
- All agreements entered by or on behalf of the condo corporation;
- All instruments appointing a proxy or ballots for a meeting of owners that are submitted at the meeting; and
- Other records as specified under the Condo Act, including in its regulations, or your condo corporation's by-laws.

More information about records can be found on the CAO website here.

3.3 Condominium Corporation Governing Documents

In addition to complying with all applicable requirements under the Condo Act, all owners, residents, employees of the condo corporation, guests and others must comply with the condo corporation's governing documents. It is very important that you read and understand a condo corporation's governing documents before purchasing a unit. If you are unfamiliar with the requirements set out in

your governing documents, you may unknowingly cause issues, requiring the condo corporation to respond to enforce the provisions found in these documents. The governing documents include:

1. **The Declaration;**
2. **By-laws; and**
3. **Rules.**

The governing documents must be consistent with the Condo Act.

1. The **Declaration** is one of the foundational documents of the condo corporation. The declaration is often considered the constitution of the condo corporation and contains many important provisions. It will include:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The declaration may be changed with the consent of at least 80% or 90% of voting units depending on what the change is.

2. **By-Laws** describe how the condo corporation is to govern itself. The by-laws can be considered the administrative guide for the condo corporation. A condo corporation's by-laws often deal with a wide range of matters. For example, by-laws may govern:

- How directors are elected;
- How common expenses are collected; and
- When/how the condo corporation can borrow money.

By-laws must be both reasonable and consistent with the declaration, as well as the Condo Act. By-laws must be approved by the owners of a majority of the units, except where the Condo Act provides otherwise, and registered with the Land Registry Office.

3. **Rules** regulate the use of the units or common elements or assets in a condo corporation. The condo rules will dictate what individuals on the condo property can and cannot do. Rules must be reasonable and consistent with the declaration and by-laws, in addition to the Condo Act. Rules must either: promote the safety, security or welfare of the owners, property, or assets of the condo corporation; or prevent unreasonable interference with the use and enjoyment of units, common elements or assets. Examples may include:

- Restricting smoking, vaping and/or the growing of cannabis;
- Restricting short-term rentals; or
- Limiting the number or size of pets allowed in the building.

Upon making, amending or repealing a rule, the board shall give a notice of it to the owners that includes:

- A copy of the rule;
- A statement of the date that the board proposed the rule will become effective;
- A statement which says that the owners have a right to requisition a meeting; and
- A copy of sections 46 and 58 of the Condo Act.

Owners who disagree with the rule may be able to requisition an owners' meeting regarding the rule and then have a vote during the meeting to prevent the changes to a rule(s) from being passed. If the owners do not requisition a meeting, the rule becomes effective the day after 30 days have passed since the board gave the owners notice of the rule. For more information on owner requisitioned meetings, please see section 3.2 of this Condo Guide.

More information about the declaration, by-laws, and rules can be found on the CAO website here.

3.4 Condominium Finances

Reserve Funds

A **reserve fund** is a fund that condo corporations use for major repair or replacement of common elements and assets as needed. The Condo Act requires that all condo corporations have a reserve fund. Adequate reserve funds and proper use of those funds are critical to maintaining the structural integrity of the condo corporation's property. Reserve funds may only be used for major repairs and replacements of the common elements and assets of the condo corporation. Condo corporations must collect contributions to the reserve fund from owners as part of their common expense fees. Condo corporations must complete reserve fund studies. Reserve fund studies are completed by certain specialists (e.g., engineers) and determine how much money needs to be in the fund to be able to pay for anticipated major repairs/replacements that will be needed in the future. Generally, after the first reserve fund study, reserve fund studies are completed/updated every three years.

More information about reserve funds and reserve fund studies can be found on the CAO website.

Common Expenses

Common expenses, which are typically described in the Condo Guide as "common expense fees" (also commonly known as condo fees or maintenance fees) are collected by the condo corporation under the Condo Act. In addition to including a contribution to the reserve fund as described above, common expense fees may be used to fund:

- The cost of maintenance to the common elements (e.g., standard elevator repairs, cleaning).
- The cost of your condo manager or management service provider.
- The condo corporation's insurance policies.
- Services, such as garbage or snow removal, landscaping, security etc.

As an owner, you are required under section 84 (1) the Condo Act to pay your share of common expense fees attributed to your unit. As per section 84 (3) of the Condo Act, you are obligated to pay your common expense fees even if:

- You have waived or abandoned your right to use the common element(s);
- You have made a claim against the condo corporation; or
- The condo corporation's declaration, by-laws or rules restrict you from using the common element(s).

How are Common Expense Fees Calculated?

Condo boards make a budget every year which outlines various expenses for the fiscal year that are to be paid by the owners. The condo corporation's declaration will state the portion of the common expenses each owner is required to contribute, expressed as a percentage. The percentage may, but need not, relate to the size of your unit. The amount of common expenses you are required to contribute may fluctuate (e.g., increase) for various reasons (e.g., as the needs of the condo corporation change).

Section 56 (1) of the Condo Act also permits condo corporations to pass by-laws governing the assessment and collection of common expense fees.

Liens

If you as an owner default on your obligation to pay common expense fees, your condo corporation automatically has a lien on your unit. The lien will cover the unpaid amount owing as well as all interest, and all reasonable legal costs and expenses incurred by the condo corporation in its attempt to collect.

The condo corporation has three months from when the default occurred to register a certificate of lien, otherwise the lien will expire after three months of the default. At least ten days' notice is required to be provided to owners before the certificate of lien can be registered on title. Condo liens have priority over every other liability, including mortgages, subject to some exceptions, and may be enforced in the same manner as a mortgage.

Special Assessments

As described above, your condo corporation will create a budget for every fiscal year. Should there be a budget shortfall (i.e., where expenses exceed revenues), your condo corporation may levy a special assessment to cover expenses. A special assessment is an extra one-time charge added to your common expense fees.

Your board may need to levy a special assessment for unforeseen major expenses such as repairs related to flooding, costs related to legal proceedings, etc. Your condo corporation's by-laws may include provisions about special assessments.

Under section 84 of the Condo Act, you are required to pay your unit's share of the common expense fees, which may include special assessment fees. Your portion is calculated using the same percentage used to calculate your regular common expense fees.

More information about special assessments can be found on the CAO website here.

Chargebacks

A chargeback is an addition to an owner's common expense fees to reimburse the condo corporation for a cost it incurred. This is to ensure that certain expenses or costs incurred are not levied to all

owners, particularly where they are not all responsible for the circumstances leading to the expense or cost.

Some chargebacks are specifically authorized by the Condo Act. For example, section 92 (4) of the Condo Act allows condo corporations to add repair costs to a unit's common expenses fees, where repairs were completed on an owner's behalf after they failed to complete them within a reasonable time. Condo corporations may also have provisions within their declaration that require owners to indemnify the condo corporation for certain costs, called an indemnification clause.

If an owner does not pay the chargeback, a lien will automatically be placed on the defaulting unit, just as would occur if the owner does not pay their regular common expenses on time. If the condo corporation registers a certificate of lien and the owner does not pay the lien in full (this is known as discharging the lien), the condo corporation has the ability to attempt to have the unit sold to cover the costs.

Condo Insurance

Under the Condo Act, condo corporations are required to obtain and maintain both property insurance and liability insurance.

- **Liability Insurance:** Under section 102 the Condo Act, condo corporations are required to obtain and maintain insurance against the liability resulting from a breach of duty as the occupier of the condo corporation's common elements or certain land as well as insurance against liability arising from the ownership and use of boilers, machinery, pressure vessels and motor vehicles.
- **Property Insurance:** Section 99 (1) of the Condo Act requires condo corporations to obtain and maintain insurance for damage to the units and common elements that is caused by certain major perils, including fire, smoke, lightning, windstorm, hail, or any other peril specified in the condo corporation's declaration or by-laws.

Standard Unit

A condo corporation's obligation to insure the units does not cover "improvements" made to units. Section 99 of the Condo Act states a condo corporation's obligation to insure against damage to units from major or other perils only includes what is called a "standard unit".

What constitutes a standard unit in your condo corporation is important as it not only outlines responsibility for property insurance coverage but also partly determines what the condo corporation or the condo owner is responsible for when dealing with repairs after damage.

For more information on where to find your condo corporation's definition of a standard unit, see section 3.5 of this Condo Guide - Living in Units and Using Common Elements.

Deductibles

According to section 105 (1) of the Condo Act, if an insurance policy obtained by the condo corporation has a deductible clause that limits the amount payable by the insurer, the condo corporation is responsible for paying the portion of a loss that is excluded from coverage, and that amount must be included in the common expenses.

A single owner may be responsible for paying a deductible if a claim to the condo corporation's insurer arose due to the owner's (among others) action or inaction. In this case, the lesser of the deductible limit or the actual cost of the repairs must be charged back to that owner's unit. For more information on chargebacks, please see section 3.4 of this Condo Guide.

Your condo corporation may also have an insurance deductible by-law that would extend the circumstances in which an owner would be responsible for paying for a property insurance deductible. Common examples of extended circumstances could include:

- Where the owner, occupant, or guest of the unit, through an act or negligence causes the insured damage; and/or
- Where the insured damage is caused by accident (i.e., where no one is at fault).

3.5 Living in Units and Using Common Elements

Units vs. the Common Elements

For a description of what a common element is and what an exclusive use common element is, please refer to section 3.1 of this Condo Guide. As noted in section 3.1, common elements are elements which may not be for the exclusive use of a particular unit owner.

In a condo corporation, typically owners own their individual unit(s) and collectively share ownership of and expenses for the common elements (e.g. roof, hallways, elevators, pool).

What is considered part of a "unit" and what is considered part of the "common elements" will be outlined in the condo corporation's declaration and description. Schedule C of the declaration contains this information for most types of condo corporations, and more, as explained below. In addition, the Condo Act includes information about what is a unit vs. a common element. The term "common elements" generally means all the property except the units.

Understanding the breakdown between a unit and the common elements is important when considering repair and maintenance obligations, condo insurance, and making changes to your unit.

Repair and Maintenance Obligations

Section 89 (2) of the Condo Act requires that, subject to the Condo Act and a condo corporation's declaration:

- Condo corporations are responsible for repairing damage to both the common elements and units. This obligation to repair does not include any improvements made to units.

- Unit owners are responsible for maintaining their units (i.e., upkeep and repairing after normal wear and tear) and condo corporations are responsible for maintaining the common elements (e.g., parking, gardens, hallways, elevators, amenities, etc.).

The following documents, together with the Condo Act, are notable when it comes to figuring out repair and maintenance responsibilities:

1. Schedule C. Schedule C (within your condo corporation's declaration) typically will outline unit boundaries and therefore clarify repair and maintenance responsibilities, especially in unclear areas (e.g., plumbing, electrical, areas behind drywall, etc.).

2. Standard unit by-law. A standard unit by-law or, if none, a schedule provided by the developer, will detail which components of a unit are the "standard unit" and therefore the responsibility of the condo corporation to repair.

Also, section 91 of the Condo Act allows condo corporations to alter these repair and maintenance obligations in their declaration. This means that when determining who is responsible for repairs or maintenance it is necessary to review your condo corporation's declaration. Note, there are some different repair and maintenance requirements under the Condo Act for different types of condo corporations (e.g., vacant land condo corporations).

Making Changes to Your Unit

A condo corporation's declaration, by-laws, and rules may contain rules about making modifications to your unit or common elements (such as requiring notice to the board, restrictions on design, décor, materials to be used, restriction on days or times when renovations are permitted, etc.). You may wish to review these requirements, as well as applicable requirements under the Condo Act, before considering changes to your unit.

Modifications to the Common Elements by Owners

Changes to the common elements (e.g., exterior walls) by owners generally will require board approval. Section 98 of the Condo Act states that an agreement (often referred to as a section 98 agreement) must be entered into between the condo corporation and the owner specifying, for example:

- The allocation of cost of the proposed modification between the owner and the condo corporation; and
- The respective duties and responsibilities of the owner and condo corporation for the costs of repairs after damage, maintenance, and insurance of the modification.

The board may approve a proposed modification, and there will be no requirement to provide notice to other owners if the modification is to an exclusive use common element, and the board is satisfied that the modification will not:

- Have an adverse effect on units owned by other owners;
- Give rise to any expense to the corporation;
- Negatively impact the appearance of buildings on the property;
- Affect the structural integrity of buildings; or
- Contravene the declaration or any prescribed requirements.

Right of Entry

Section 19 of the Condo Act provides condo corporations, or a person authorized by the condo corporation, the right to enter units to perform the objects and duties or to exercise the powers of the condo corporation. They can only do so after providing reasonable notice to the owner of the unit.

Examples of when condo corporations may typically seek to enter units include:

- To perform maintenance and repairs to the common elements;
- To perform routine inspections on things such as smoke detectors; and
- To ensure compliance with the Condo Act and the condo corporation's declaration, by-laws, and rules.

Your condo corporation will also have the right to enter units in the case of an emergency, such as a fire or water leak, without any reasonable notice.

3.6 Condominium Management

Condo corporations, while not required to, may decide to hire a condo manager or a condo management company to oversee the condo corporation's day-to-day operations. Condo managers act on behalf of the condo corporation and are directed by the board of directors. A condo manager's range of responsibilities may include:

- Creating and maintaining records for the condo corporation;
- Responding to owner complaints;
- Coordinating the maintenance and repair of the property;
- Hiring and monitoring the performance of service providers;
- Preparing draft annual budgets and monitoring the reserve fund;
- Issuing meeting notices; and
- Organizing board meetings and overseeing administration of all owners' meetings.

Under section 17.0.1 of the Condo Act, condo corporations cannot enter into agreements with a condo manager or management company unless they are licensed through the Condominium Management Authority of Ontario (CMRAO). For more information about the CMRAO, see section 4.2 of this Condo Guide.

For more information on the CMRAO, you can visit their website by clicking here.

Part 4: Resources for Issues Resolution

4.1 Raising Issues with your Condominium Board

Occasionally, issues can arise with condo living. There are several options that may be available to condo owners who have concerns with their board of directors or condo corporation generally. Before raising any issues, you may wish to consult the governing documents of your condo corporation as

some condo corporations may have specific protocols for raising issues. When raising issues, you may wish to consider the following:

1. **Writing a Letter to the Board**

   You may wish to contact your board to request formal consideration of your concern if you are experiencing a condo-related issue that you wish to raise with the board. Within the letter or email it is helpful to provide as much detail as possible about the issue.

   The CAO also has email and letter templates for writing to your board, available on the CAO website by clicking here.

2. **Requisitioning a Meeting of Owners**

   Owners may be able to requisition a meeting to discuss certain issues. For example, owners may be able to requisition a meeting to discuss:

   - The removal and replacement of a director before the expiry of that director's term;
   - A proposed new rule or change or repeal of an existing rule; and
   - The discussion of any emerging issue (e.g., a board decision).

   For more information on meetings in general, see section 3.2 of this Condo Guide.

   For more information regarding the requisitioning of meetings, please click here.

3. **Raising Issues at an AGM**

   An AGM provides another opportunity to bring up issues regarding the condo corporation and condo business to the board and other owners. Owners may be able to raise their concerns at their AGM. Section 45(3) of the Condo Act states that owners may raise any matters for discussion in the AGM, as long as they are relevant to the affairs and business of the condo corporation.

4. **Seeking Legal Advice**

   If a particular issue cannot be resolved through any of the above options, you may wish to consider seeking legal advice.

   If you require legal advice, you may wish to contact a lawyer or paralegal familiar with condo law. The names of lawyers or paralegals may be obtained from the Law Society of Ontario Referral Service. They may provide a free consultation of up to 30 minutes.

Additionally, you may wish to consider reviewing the CAO's Issues and Solutions page for additional information on common issues associated condo living.

4.2 The Condominium Authority of Ontario

The CAO is a not-for-profit organization designated by the Ontario government to administer delegated provisions of the Condo Act and its regulations. The CAO's role is to support condo living by providing services and resources for condo communities and the general public. These include:

- Offering information about condo living to condo owners, residents, and other members of the public;
- Administering mandatory training for condo directors;
- Hosting and providing access to several mandatory and optional condo forms;
- Maintaining the CAO's Public Registry, which contains and displays information filed with the CAO through returns and notices of change; and
- Overseeing an online dispute resolution forum - the Condominium Authority Tribunal (CAT).

The CAT is an online tribunal that is authorized to resolve certain disputes primarily between condo corporations and owners. Part I.2 of the Condo Act and related regulations, including Ontario Regulation 179/17, set out certain provisions related to the CAT's jurisdiction.

Currently, the CAT resolves certain disputes relating to:

- the retention of and access to condo records.
- condo corporation governing document provisions about:
    - vehicles;
    - pets or other animals;
    - parking and storage; and
    - indemnification or compensation of the condo corporation, owner or mortgagee related to the above-noted governing document disputes.

For more regarding the CAT, its function, and its jurisdiction, click here.

4.3 Condominium Management Regulatory Authority of Ontario

The Condominium Management Regulatory Authority of Ontario (CMRAO) is a not-for-profit corporation that is responsible for administering provisions under the Condominium Management Services Act, 2015 (CMSA), including by licensing condo managers and management providers. The CMRAO:

- Ensures that condo managers and condo management companies are licensed, meet education standards, and comply with a code of ethics, among other requirements.
- Maintains a list of licensed condo managers and condo management providers.
- Promotes awareness of the condo management regulatory system and enforces compliance with the CMSA.

Handling Complaints

If you think your condo's manager or management service provider is in violation of the CMSA you can submit a complaint to the CMRAO. If the registrar of the CMRAO receives a complaint about a licensee, the registrar may do any of the following, as appropriate:

- Attempt to mediate or resolve the complaint;

- Give the licensee a written warning;
- Require the taking of further educational courses;
- Refer the matter, in whole or in part, to the discipline committee;
- Propose to suspend, revoke, or add conditions to a licence;
- Propose to refuse to renew a licence; or,
- Take further action as is appropriate in accordance with the CMSA.

More information about making a complaint can be found on the CMRAO's website here.

4.4 Compliance and Enforcement Mechanisms

Responsibility to Comply with the Condo Act

Section 119 of the Condo Act provides that the condo corporation, owners, directors, officers, employees, mortgagees, developer and occupants are all required to comply with the Condo Act as well as the condo corporation's declaration, by-laws, and rules.

Section 17 (3) of the Condo Act provides that condo corporations have a duty to take all reasonable steps to ensure that owners, occupiers, lessees, agents and employees of a condo corporation comply with the Condo Act, the declaration, the by-laws and the rules. Additionally, section 119 (2) of the Condo Act provides that owners are obliged to take all reasonable steps to ensure occupants and visitors of their unit also comply with the Condo Act, the declaration, the by-laws, and the rules.

Mediation, Arbitration, and Compliance Orders

Under section 132 of the Condo Act, certain disputes must be resolved through mediation or arbitration. Condo corporations may also have provisions in their declaration or by-laws establishing a procedure for resolving certain disputes and compliance.

To resolve certain disputes between an owner and the condo corporation, the first step would be mediation, and then arbitration, if required.

As per section 134 of the Condo Act, certain compliance disputes may be resolved through an application to the Superior Court of Justice, including if the mediation and arbitration process has failed to solve the issue. Condo corporations, owners, occupants of a proposed unit, and developers are all entitled to apply as set out in that section; however, it is recommended to talk to a lawyer or paralegal if considering any legal action.

Please note that sections 132 and 134 of the Condo Act do not apply to disputes that may be brought to the CAT.

Offences Under the Condo Act

Sections 136.1 and 137 of the Condo Act set out provincial offences under the Condo Act that the Ministry of Government and Consumer Services (Ministry) administers. If you have information about conduct you believe may constitute an offence under section 136.1 or section 137 of the Condo Act, you may provide that information to the Ministry.

You can file the information by clicking here.

The Ministry will review the information and determine if compliance or enforcement action would be appropriate. Please note that not every complaint will lead to compliance or enforcement action.

Section 136.2 of the Condo Act sets out provincial offences under the Condo Act which are administered by the CAO. If you have information about conduct that you believe may constitute an offence under section 136.2 of the Condo Act, you may provide that information to the CAO.

Part 5: Glossary of Key Terms

Addendum: The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to.

Agreement of Purchase and Sale: The Agreement of Purchase and Sale contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations as seller (as applicable), the unit, and the condo construction project.

Annual General Meeting: Annual owners' meeting where the board of directors presents to the owners on the financial health of the condo corporation and other business.

Board Meetings: Meetings attended by board members to manage the affairs of the condo corporation.

By-laws: By-laws are part of the condo corporation governing documents. By-laws govern how a condo corporation operates. By-laws can cover topics such as: the size of your condo board, the process for electing directors, and the format of board meetings. By-laws must be consistent with the declaration and the Condo Act as well as reasonable.

Chargebacks: Charges that are added to the amount of a unit owner's common expense fees. This may happen, for example, due to a condo corporation handling an owner's maintenance obligations or where a condo corporation incurs certain court costs in a legal proceeding against an owner to enforce compliance.

Common Elements: All condo property except units.

Common Elements Condominium: A condo corporation that creates common elements but does not divide the land into units. Owners purchase land tied to part of a common element condo corporation in which they also have an ownership interest (such as a shared road, ski hill or golf course) and pay common expense fees.

Common Expense Fees: The amount of money that an owner contributes in the proportions specified in the declaration. These go towards paying expenses (operating and reserve), including for, among other things, the maintenance and upkeep of the condo corporation's common elements.

Condo Corporation: A legal entity that comes into existence when a declaration and description are registered with the Land Registry Office. All units and common elements are part of a condominium corporation, and condominium corporations are governed by boards of directors on behalf of owners.

Condo Manager: An individual licensed by the Condominium Management Regulatory Authority of Ontario who is hired by a condo corporation to oversee a condo corporation's day-to-day operations. Condo managers are accountable to the board of directors of the condo corporation.

Condominium Act, 1998 (Condo Act): The Condo Act provides a legal framework that enables condo owners and their elected board of directors to make decisions about the governance of a condo corporation.

Condominium Authority Tribunal (CAT): an online tribunal administered by the Condominium Authority of Ontario that is authorized to resolve certain disputes primarily between condo corporations and owners.

Condominium Management Services Act (CMSA): The CMSA provides a framework for regulating condo managers and condo management providers and requires that they be licensed to provide condo management services in Ontario.

Cooling Off Period: Ten-day period within which buyers of pre-construction condos have the right to rescind, or cancel, a purchase agreement they have signed, for any reason whatsoever. Begins on the later of the date the buyer received the disclosure statement, a copy of this Condo Guide, and the copy of the agreement of purchase and sale.

Declarant: The owner of the land where the condo corporation is being established. *Note that, for ease-of-understanding, the Condo Guide sometimes uses the term "developer" in many places in place of the term "declarant", which is used in the Condominium Act, 1998. The Ontario New Home Warranties Plan Act also uses the terms "vendor" and "builder".

Declaration: Governing document that contains important information about the condo corporation, such as the percentage that the unit owner must contribute to the common expenses and a breakdown of the responsibilities for repairing and maintaining the units and common elements.

Description: The description defines the units and the common elements and specifies the boundaries between them.

Declarant-Controlled Board: A condo corporation board including directors appointed by the declarant (i.e. the developer).

Delayed Occupancy: When a unit buyer is unable to take possession of the new residential unit by the firm or outside occupancy dates contained in the Addendum to a purchase agreement.

Director / Board of Directors: The individuals who are appointed or elected to manage the affairs of the condo corporation. Directors are responsible for making important decisions and serve for terms of up to three years.

Director Training: Training program provided by the Condominium Authority of Ontario. All condo directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program within six months of their appointment, election, or re-election. Directors do not have to take the training if they have completed the program within the previous seven years.

Disclosure Statement: A document that your declarant must provide when you purchase your unit from them or someone benefiting them, and which includes important information about your unit and the condo corporation (proposed or registered).

Exclusive Use Common Elements: Are common elements that specific unit owners/occupiers have exclusive use of (e.g., a balcony connected directly to a single unit).

Governing Documents: A condo corporation's declaration, by-laws, and rules.

Information Certificates: Information Certificates help to ensure that owners receive ongoing information about their condo corporation throughout the year. There are three types: Periodic Information Certificates, Information Certificate Updates, New Owner Information Certificates.

Information Certificate Updates: are information certificates which include information on certain key changes before the next scheduled Periodic Information Certificate (such as changes in the directors or officers of the condo corporation). These are to be distributed within 30 days of the change.

Interim Occupancy: When a buyer takes occupancy of their unit before the condo corporation has been registered with the Land Registry Office, and before ownership is transferred to the buyer. The duration of the interim occupancy is called the interim occupancy period, and during that period the buyer is required to pay occupancy fees.

Interim Occupancy Fee: The amount that a buyer is required to pay the declarant during the interim occupancy period.

Interim Occupancy Period: The period from your interim occupancy date to the date ownership is transferred to you.

New Owner Information Certificates: Information certificates which are sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation.

Notices: Notices are documents containing information that an individual is entitled to receive as a unit owner. Notices will be delivered to you in either hardcopy or digitally (if the condo corporation and owner agree to electronic delivery or if that is otherwise permitted).

Owners' Meetings: Meetings which all owners are invited to. Includes annual general meetings, owner-requisitioned meetings, turn-over meetings, and meetings called by the board regarding the transaction of any condo business.

Owner-Requisitioned Meetings: Meetings requested by the owners to discuss/vote on a specific topic, such as the removal of a director or voting on a rule proposed by the board of directors.

Periodic Information Certificates: Information certificates which focus on the condo corporation's board, finances, insurance, reserve fund, legal proceedings, and other matters.

Phased Condominium: A condominium that is built and registered in phases. Once the construction is complete, it becomes a standard condominium.

Quorum: The law requires that a minimum number of owners be present (either in person or by proxy) at a meeting. Without quorum, voting cannot take place, however discussion on relevant business is still permitted.

Reserve Fund: A fund condo corporations save and use to handle the larger financial burdens, for major repair or replacements of common elements and assets as needed.

Reserve Fund Study: Determines how much money needs to be in the reserve fund to ensure the major repairs/replacements can be paid for in the future. The reserve fund study must be prepared by a specialist, like an engineer. The board of directors approves the study, then informs owners of the results of the study.

Rules: Rules are part of the condo corporation's governing documents. Rules exist for the protection of those living in the condo corporation as well as the protection of the assets of the condo corporation itself, and to prevent unreasonable interference with the use and enjoyment of the units, common elements, and assets of the condo corporation. Rules must be consistent with the Condo Act and the declaration and by-laws of the condo corporation as well as reasonable.

Special Assessment: An extra one-time charge added on top of an owner's common expense fees.

Standard Condominium: The most common type of condo corporation in Ontario, where the condo corporation is made up of units and common elements.

Statement of Critical Dates: The Statement of Critical Dates can be found in the Addendum to your purchase agreement. The Statement contains the dates you can expect to take occupancy of your unit, as well as other important information.

Status Certificate: A document that anyone can request from a condo corporation and which contains important information about the unit and condo corporation.

Turn-Over Meeting: The meeting held by the declarant-controlled board within 42 days of the declarant ceasing to own a majority of the units. At this meeting, the owners will elect a new board and the declarant-controlled board will turn over several items to the new owner-elected board.

Vacant Land Condominium: A type of condo corporation in which the units may be vacant lots at the time of purchase, and the condo corporation may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.

Signature: 

Email: ali@metrobit.ca

Appendix “D8”

DocuSign Envelope ID: 17CE1A78-073D-478B-A083-AB978D483479

AURORA MILLS
BUSINESS PARK

Unit(s) Block 5&6, Unit I18

AGREEMENT OF PURCHASE AND SALE

1.01 **Agreement to Purchase**

The undersigned Shariati Aurora Corp (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being Block 5&6, Unit number I18, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of [redacted] upon waiver of conditions, which sum, equals 5% of the Purchase Price;

(c) the sum of [redacted] sixty (60) days after waiver of buyer conditions, which sum equals 5% of the Purchase Price; and

(d) the sum of [redacted] one hundred and twenty (120) days after waiver of buyer conditions, which sum equals 5 % of the Purchase Price;

(e) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

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(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be **January 2025** (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

DS MS

DS

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: a construction company (the "**Intended Use**"), **and any other use permitted under the zoning and that conforms to the condo by-laws, rules and regulations,** and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

DATED at_____, this_____day of 2/20/2024, 2024. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

Shariati Aurora Corp

Per: _____
Name:
Title:

DocuSigned by:
Mo Shariati
5B97E3411904459...

Per: _____
Name: Mo Shariati
Title: president
I/We have the authority to bind the corporation

Purchasers' Address:
Unit 13, 2051 Williams
Parkway E, Brampton

_____

_____

Purchaser's Telephone Numbers:

Home: (416-735-4925)

Business: (_____)

Fax: (_____)

E-mail: (shariati@struct-con.ca)

Purchasers' Solicitor:

Name: _____

Address: _____

Tel: _____ Fax: _____

2352107 Ontario Inc.

DocuSigned by:
Paolo Abate
96445806FC6E4CC...

Per: _____
Name: Paolo Abate
Title: ASO

I have authority to bind the Corporation.

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: Aaron M. English
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

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AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.

Demising Walls:

- 6 Inch concrete block walls from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 25 feet, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Steel exit door with metal frames and vendor standard hardware.
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

Warehouse Area:

- Heating will be provided by a gas forced air hanging unit, suitable for size of warehouse area as determined by Vendor engineers and consultants.

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Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

DS MS DS

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AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

THE UNDERSIGNED, being the Purchaser of the Unit described as Unit(s) I18, (the "**Unit**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated _____ and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

DATED at 2/20/2024, this _____ day of _____, 2024.

Shariati Aurora Corp

Per: _____
Name:
Title:

DocuSigned by:
Mo Shariati
6D97E3A1109A459...

Per: _____
Name: Mo Shariati
Title: president
I/We have the authority to bind the corporation

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AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act*, *1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the loading and service areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) **"Lands"** or **"Property"** shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M- _____, currently being parts of PIN Nos. 03620-1629 and 03620-1632 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

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the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

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for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia*, the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

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accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld or delayed. The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet, regardless of whether or not the Vendor provides the requested consent;

(v) The Vendor shall have the right to enter the Unit at all reasonable times (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of electricity in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s) or utility provider(s) selected by the Vendor in the form required by such utility monitor(s) or utility provider(s) as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s) or utility provider(s) prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

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responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

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and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule “B” attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or

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otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) in the Vendor's sole and absolute subjective discretion. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be;

(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of ten thousand ($10,000.00) dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's

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Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the

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Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee**,** plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) feet high and twenty (20) feet wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

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(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

5. **No Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the "**ONHWPA**") and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA.

The Purchaser acknowledges and agrees that other than the Vendor's obligation to complete the Unit in a good and workmanlike fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage,

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twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

6. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend

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personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

7. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

8. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

9. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park

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area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "Development Agreements");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium, including, without limitation, the restrictions relating to Exclusivity Rights as more particularly set out in this Agreement and in the Condominium Documents;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

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(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is

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not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 9 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 9 or to evidence the survival of the terms herein set out.

10. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To-take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

11. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) (i) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(ii) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced

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by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

12. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

13. **Adjustments and HST**

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor’s contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor’s option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

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(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads;

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area;

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs (collectively, the "**Levies**") incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority, and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor;

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up

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fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor’s solicitor’s reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

(w) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the leasing of the generator(s) and/or boiler(s) for the Condominium prior to registration of the Declaration and Description; and

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto.

If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor’s solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor’s solicitor, by way of certified cheque(s) drawn on a solicitor’s account and made payable to the Vendor’s solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and other services attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith

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upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

14. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

15. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

16. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser’s only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor’s reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and

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which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

17. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

18. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

19. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

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(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser’s Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 19 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits an amount apportioned to the Unit and the Purchaser on account of the Vendor’s legal fees relating to such termination and the return of the Purchaser’s deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance (but in any case not less than $10,000) as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall

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be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

20. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

21. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

22. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

23. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

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In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

24. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser’s expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor’s consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor’s solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser’s solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor’s solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser’s solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor’s solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor’s Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor’s solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

25. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor’s tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in

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writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

26. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

27. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

28. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

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Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5**,** with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

29. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

30. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

31. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

32. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 4:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser

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shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

33. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future development agreements affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such acknowledgements or amendments forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

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(b) The Purchaser expressly acknowledges that at the date of execution of this Agreement, draft plan and/or site plan approval pursuant to the provisions of the Planning Act, R.S.O. 1990 (the draft conditions) as amended may not yet have been obtained with respect to the Condominium. The Purchaser further acknowledges that the draft conditions and any Development Agreements may contain warnings, and other provisions which are required to be included in agreements of purchase and sale for units in the Condominium. The Purchaser covenants and agrees to execute any and all documentation, including an amendment to this Agreement, as may be required by the Vendor, and in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement, and acknowledged by the Purchaser.

(c) Without limiting the generality of the preceding subparagraph, the Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs,

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illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor’s operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John’s Sideroad) and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor’s construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser’s successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser’s successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser’s successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of

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such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other problems, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(w) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

34. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

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35. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

36. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

37. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

38. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

39. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

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(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium, and will not violate any of the Exclusivity Rights in favour of certain units in the Condominium as described above.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

40. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser covenants and agrees to provide to the Vendor, forthwith upon request by the Vendor, all identity and other information required by the Vendor in order to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000 as amended, as well as the Financial Transactions and Reports Analysis Centre of Canada. In addition, for the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Unit, 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 residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information, 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

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entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

(a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, as well as other future condominium declarants 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 condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(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 condominiums 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, and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, 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 Unit and the installation of upgrades ordered or requested by the Purchaser and agreed to by the Vendor;

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

(h) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);

(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(1)(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 the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the condominium corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

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

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

41. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement

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is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

42. **Purchaser Selling or Assigning**

The Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

43. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

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Ontario's Residential Condominium Buyers' Guide

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Ontario's Residential Condominium Buyers' Guide - Using the Condo Guide

Purpose

According to section 72 (1) of the Condominium Act, 1998 (the "Condo Act"), Ontario's Residential Condominium Buyers' Guide ("the Condo Guide") prepared by the Condominium Authority of Ontario (CAO) is required to be provided to buyers of residential pre-construction/new condo units by the declarant ("developer") when buyers are purchasing from the developer or a person acting on behalf of or for the benefit of the developer. Purchasers of resale residential condo units may also wish to review the Condo Guide.

This Condo Guide has been approved by the Minister of Government and Consumer Services.

The purpose of the Condo Guide is to provide condo purchasers in Ontario with information and resources to make a more informed decision when purchasing a residential condo unit ("unit").

Under section 73(2) of the Condo Act, purchasers have a 10-day cooling off period in which they may rescind their agreement of purchase and sale. This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale and your disclosure documents and the Condo Guide. The CAO recommends that you carefully review the disclosure statement, agreement of purchase and sale, and the Condo Guide within the 10-day period.

The Condo Guide can be found below, commencing on page three with the table of contents, and will be updated from time-to-time. To confirm that you have the most up-to-date version, please visit the CAO website at www.thecao.ca.

Important Information Regarding Governing Documents

To make sure a particular condominium corporation ("condo corporation") is right for you, you may wish to read a condo corporation's existing or proposed governing documents, as applicable, before purchasing a unit. Information describing these governing documents, which consist of **1) the declaration; 2) the by-laws; and 3) the rules** is provided in the Condo Guide in Sections 1.1 and 3.3.

These documents, along with the rest of the disclosure statement (including the budget statement), and the agreement of purchase and sale, contain important information about what you are buying, and what you will need to pay for etc. This information may impact your decision to purchase a unit. If you have questions about the information contained in these documents, you may want to seek help from a legal professional.

Key Information for Buyers of Pre-Construction Residential Condo Units

To find information about buying a unit from a developer, you should review the following sections of the Condo Guide:

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- Introduction
- Part 1.1: Before You Buy a Pre-Construction Condominium Unit
- Part 1.2: Buying a Pre-Construction Condominium Unit
- Part 1.4: Additional Considerations
- Part 2: Moving into a Pre-Construction Condominium Unit

For more information on rescission of agreements of purchase of sale within the 10-day cooling off period, please visit Part 1.2 of the Condo Guide.

Key Information for Buyers of Resale Residential Condo Units

To find information about buying a unit from an existing owner (i.e. a 'resale condo' that is not sold by the developer), you should review the following sections of the Condo Guide:

- Introduction
- Part 1.3: Buying a Resale Condominium Unit

Key Information for Condominium Owners

To find information about condo living and governance that may be helpful before or after your condo purchase, you should review the following sections of the Condo Guide:

- Part 2.3: Tarion and the Ontario New Home Warranties Plan Act
- Part 3: Condo Living
- Part 4: Resources for Issues Resolution

Next Steps

Given the importance of this buying decision and the many factors to the condo purchase process, along with your expectations for condo living, it is important that you carefully review the condo corporation's governing documents, the rest of the disclosure statement (including the budget statement), the agreement of purchase and sale, and this Condo Guide. Also, the CAO is encouraging condo owners to subscribe to our email list to receive important email updates from the CAO. You can subscribe by either clicking here.

Additional information on the above can also be found on the CAO's website at www.thecao.ca.

You may also wish to consider seeking legal advice for any questions or concerns that you may have.

Please note that the material in the Condo Guide should not be interpreted as legal advice.

This Condo Guide has been approved by the Minister of Government and Consumer Services and is intended to apply to the purchase of new and pre-construction residential condominium units beginning on January 1, 2021.

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Ontario's Residential Condominium Buyers' Guide

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Introduction

What is a Condominium?

When most people hear the word “condo” they may think of a single residential tower or maybe a townhouse, but what “condo” really refers to is a specific kind of real estate ownership structure that involves shared ownership of common elements and community decision making. This means that a condo could resemble a park, parking lot, or even an empty field. If you are considering purchasing property in a condo corporation, it is important to understand upfront that condo living involves shared ownership and therefore a responsibility to your community.

Unlike when you own a traditional house, when you purchase a condo you become part of a condo community and become responsible for paying your share of the common expenses and complying with the condo corporation’s governing documents, among other things. You will also be able to participate in condo governance by, for example, voting for directors.

A “condo” is also a type of corporation. A condo corporation is responsible for making decisions about the condo property on behalf of the owners. A condo corporation may also get a condo manager/management services provider to help manage the property and the affairs of the corporation on the corporation’s behalf. The condo property is described in certain documents that must be completed and officially registered to establish the condo corporation. Those documents specify how the land is divided into units and common elements, as applicable. The owner of the land where the condo corporation is being established arranges for those documents to be registered with a Land Registry Office. That owner is known as a “declarant”, who may be the developer of the land. The condo owners (e.g., unit buyers) are the members of the condo corporation. The Condo Act sets out rights and responsibilities related to the management of a condo, including rights and responsibilities of condo owners and condo boards.

Condo corporations are created for many different uses including for residential, commercial, industrial, or mixed-use purposes.

Different Kinds of Condominiums

The Condo Act outlines various types of condo corporations. There are two main categories of condo corporations: freehold and leasehold. Freehold condos are condo corporations where the condo property is owned by the condo owners. Leasehold condos are condo corporations on leased land. Owners have a leasehold interest in units and common elements but do not own the land. Under the Condo Act, there are **four** different types of freehold condos:

1. Standard Condominium

- The most common type of condo corporation in Ontario.
- Has individual units.
- May include common elements, which often include areas such as a foyer, exterior walls, and amenities (e.g., pools, gardens).

2. Phased Condominium

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- A condo corporation that is intended to be built and registered in phases.
- New units and common elements are constructed and added to the condo corporation.
- Upon completion, a phased condo corporation becomes a standard condo corporation.

3. Vacant Land Condominium

- The units may be vacant lots at the time of purchase, and the layout of the lands may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.
- The developer can sell the lots as vacant or build (e.g., homes) on the lots and sell the lots with buildings on them.

4. Common Elements Condominium

- There are no units in this type of condo corporation. Instead, ownership is of a common interest in the common elements of the condo corporation by a separate parcel of land that is "tied" to the common elements corporation.
- Owners purchase a part of a common elements. Examples include shared roads, golf courses, or ski hills.

Leasehold Condominium

- Developed on land that is leased for a term between 40 and 99 years.
- Common expenses include a portion of the rent payable to the landowner.
- Once the lease expires, the owners' rights to occupy their units are automatically terminated.
- Leasehold condo corporations may be less common in Ontario.

It is important to note that the Condo Act has some different requirements for different types of condo corporations.

Part 1: Buying a Condominium Unit

1.1 Before you Buy a Condominium Unit

One of the most important steps you can take before you buy is to educate yourself and get the help you need to make an informed decision. Consulting this Condo Guide is a good start, but it is also important to seek legal advice before you buy. Buying a condo is a complex process and involves reviewing lengthy and sometimes difficult-to-understand documents. Seeking legal advice is the best way to ensure you are making an informed decision.

Reviewing a condo corporation's governing documents provides an opportunity to learn important information about the condo corporation you are considering. The information found in a condo corporation's governing documents may be key to your enjoyment of your unit and could have an impact on your buying decision. For more information on governing documents, including the 1) the declaration; 2) the by-laws; and 3) the rules**,** see section 3.3.

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Researching builders is another important step you may wish to take before purchasing a pre-construction unit. It is important to ensure that the builder you plan to buy a unit from is licensed by Tarion (Ontario's new home warranties and protections administrator – for more information see section 2.3 of this Condo Guide).

Tarion's Ontario Builder Directory is a useful resource for confirming the status of the builders before you buy. Please note that the Ontario Builder Directory will be available through The Home Construction Regulatory Authority (HCRA) starting in early 2021.

The HCRA is an independent, not-for-profit corporation that is preparing to potentially be designated as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If a regulatory authority is designated, Tarion would cease to provide this function, subject to potential exceptions during transition. At this time, it is expected that the future regulatory authority would be operational in early 2021.

1.2 Buying a Pre-Construction Condominium Unit

Documents to Review

Along with reviewing the information in this Condo Guide, it is important to review and fully understand the information in the following documents that are generally required to be provided to purchasers by developers:

1. **Pre-construction Agreement of Purchase and Sale**

The agreement of purchase and sale, sometimes referred to as the purchase agreement, contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations, the unit, and the condo construction project. You may wish to review this document carefully with a legal professional.

2. **Tarion's Information Sheet for Buyers of Pre-Construction Condominium Homes about the Possible Termination of Purchase Agreement**

All buyers of residential units in a standard or phased pre-construction condominium project where the first arm's length purchase agreement for the project was signed on or after January 1, 2020 must be given an information sheet that includes an outline of the possible risks of buying a unit in a pre-construction condominium project, in addition to other information (e.g., the estimated occupancy date for your unit and the status of construction).

3. **Tarion Addendum**

The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to. Information contained in the Tarion Addendum includes the delayed occupancy warranty provided by the builder, in accordance with the Ontario New Home Warranties Plan Act. The Tarion Addendum also contains a Statement of Critical Dates and early termination conditions that apply to the

agreement. In a disagreement or dispute about information contained within the agreement of purchase and sale and the Tarion Addendum, the Tarion Addendum prevails over the agreement of purchase and sale document and any other attachments to the extent of any conflict or inconsistency.

4. **Disclosure Statement**

Another very important document to review and understand is the disclosure statement which the builder is required to provide to condo buyers who buy directly from the developer or a person acting for the developer's benefit. This is required under section 72 of the Condo Act. Your agreement of purchase and sale is not binding on you as a buyer until you receive the disclosure statement and this Condo Guide from the developer.

The disclosure statement includes a lot of important information, including but not limited to:

- A copy of the existing or proposed declaration, by-laws, and rules for the condo corporation.
- A summary of the agreements to be entered into by the builder before the turn-over meeting, including agreements for condo management services and services like repairs and landscaping, and
- A copy of the budget statement for the first year after registration of the condo corporation.

It is important to carefully review the disclosure statement, consult with a legal professional about it and ensure that you do not have any outstanding questions.

Deposits

Generally, under the Condo Act, funds received by the builder of a condo project must be held in trust. This includes deposits and certain other payments covered by the purchase agreement.

If a project is terminated, the builder is generally required under the Tarion Addendum to refund all monies paid, plus interest, if any, calculated in accordance with the Condo Act (for information on the interest rates, see section 19 (3) of Ontario Regulation 48/01 under the Condo Act).

If the money is not refunded, then buyers may be able to make a claim to Tarion under the *Ontario New Home Warranties Plan Act*. Deposits and other payments by residential condo buyers are protected under the *Ontario New Home Warranties Plan Act* for up to a maximum of $20,000.

For more information about deposit protection, please click here.

Cooling Off Period and Rescission of Agreement

Section 73 of the Condo Act provides you as a buyer with a cooling off period of 10 days to consider whether you want to proceed with the purchase. Section 73 allows you to rescind the purchase agreement by notifying the developer of your wish to do so within the 10-day cooling off period.

This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale executed by the declarant and the purchaser and your disclosure documents and Condo Guide. Within the 10-day cooling off period, you have the right to rescind or cancel the purchase agreement that you have signed for any reason whatsoever. Generally, you should also be refunded, without penalty or charge, all money deposited toward the purchase price, along with any applicable

interest (for information on the interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

Additionally, the Condo Act provides for a further rescission right where there is a material change in the disclosure statement. If there is a material change (i.e. an important change that would have caused a reasonable buyer to no longer want to proceed with the purchase, had that information been included in the disclosure received by the purchaser), then you may be able to rescind or cancel your purchase agreement during an additional 10-day cooling off period. This 10-day cooling off period starts from the later of:

1. the date that the declarant has delivered a revised disclosure statement or a notice to you confirming the material change;
2. the date that you otherwise become aware of the material change; or
3. the date that the Ontario Superior Court of Justice has determined that a material change has occurred.

Occupancy Dates & Delayed Occupancy

A page of the Tarion Addendum within your agreement of purchase and sale contains a Statement of Critical Dates which must be signed by both the condo buyer and the builder. The Statement of Critical Dates sets out when the builder expects to finish the unit and the latest dates for permitted extensions. You should review these dates closely including the firm occupancy date and the outside occupancy date.

Note that condo construction can sometimes be delayed, which means you may not be able to take occupancy of your unit on the anticipated occupancy date set out in the agreement. This is called delayed occupancy.

Your new home warranty coverage includes delayed occupancy coverage in certain circumstances. Details on the delayed occupancy warranty are provided in the Tarion Addendum in your agreement of purchase and sale.

For more information about occupancy dates and delayed occupancy warranty, visit Tarion's webpage.

Condo Cancellations

Pre-construction condo projects can sometimes be cancelled even after you have made a deposit on your purchase. This is because there are many stages in building a condo that may remain to be completed after you have made a deposit. The Tarion Addendum forming part of your purchase agreement must set out any conditions that may result in the condo not proceeding and therefore the potential termination of the purchase agreement. In these cases, it is the vendor who would terminate the agreement.

These conditions may include, but are not limited to:

- Failure to sell enough units,

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- Inability to secure financing for the project, or
- Delays in obtaining the required building or planning approvals.

It is important for you to be aware of the potential conditions when you are thinking of entering the purchase agreement. Buyers may wish to review the Tarion Addendum for identification of early termination conditions applicable to their purchase agreement.

In most cases, if a condo project is cancelled, buyers are entitled to get their deposit back, plus any accrued interest, if applicable. The Condo Act also provides for interest to be paid based on an interest rate calculation (for more information on those interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

For more information on condo cancellations, please click here.

1.3 Buying a Resale Condominium Unit

Purchasing a resale unit involves buying a unit from the current owner rather than from the developer. If you are thinking of buying a resale unit, it is important to do your research on the unit and condo corporation before making any decisions and consult a legal professional. **Before purchasing a unit, you may wish to consider the following:**

- **The status of the reserve fund and age of the building.** A reserve fund is required to ensure that the condo corporation has enough money to pay for major repairs and replacement of the common elements and assets of the condo corporation. It is important to note if the building will require any significant repair, maintenance or updating with its age and the plan for addressing those issues. You should consider the health of the reserve fund and review what is your responsibility to repair and maintain.
- **Common expenses**. This is the amount unit owners pay toward the operation of the condo corporation (e.g., security costs, cleaning costs, etc.) and contributions to the reserve fund. It is important to incorporate common expense fees into your budget when considering purchasing a condo. Common expense fees may change over time depending on the needs of the condo corporation.
- **The units and common elements**. The size, layout, and boundaries of the unit and the common elements generally will not change. You may wish to consider what is your responsibility to repair and maintain. For more information on units and common elements, see section 3.5 of this Condo Guide.
- **Amenities.** Consider that, in general, all the owners must pay for the common elements, regardless of whether you use them or not.
- **Litigation.** It is important to be aware of any litigation against the condo corporation or that the condo corporation is a party to, as owners generally will be responsible for the costs. If the condo corporation cannot cover the costs with the operating fund, a special assessment (an extra one-time charge added to an owner's common expenses) may be required. You can

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learn about on-going litigation by requesting a status certificate from the condo corporation, which is described in the next section.

- **New Home Warranty Information.** You may wish to consider whether the unit is still covered by any remaining new home warranties and protections under the *Ontario New Home Warranties Plan Act*. There are three different warranty periods that cover different types of defects, the longest of which is seven years. The maximum statutory coverage available is $300,000. More information about new home warranties and protections can be found on the Tarion website. To check the status of your home's warranty you may wish to contact Tarion by phone (toll free) 1-877-982-7466 or via e-mail at ismyhomecovered@tarion.com.

Documents to Review

- **The condo corporation's governing documents.** You will be required to abide by your condo corporation's declaration, by-laws, and rules. For more information see section 3.3 of this Condo Guide.
    - The declaration is the foundational document of the condo corporation and includes, among other things, the proportion which each unit owner contributes to common expenses and the repair and maintenance responsibilities of owners vs. the condo corporation. The declaration may also include information about how units and common elements can or cannot be used. The existing or proposed declaration will be included in the disclosure statement you receive from the developer when purchasing a pre-construction/new condo.
    - The by-laws may lay out how the condo corporation governs itself and how the condo corporation operates (e.g., some of the requirements for electing directors).
    - The rules may govern what the owners and occupants can and cannot do in their specific condo community in certain circumstances (e.g., for safety reasons).

- **Status Certificates.** A status certificate is an important document for purchasers of resale condos containing information about a specific completed condo unit and the condo corporation to which it belongs. Any person can request a status certificate for a unit from a condo corporation. A condo corporation can charge up to $100 (including all applicable taxes) for the status certificate. The condo corporation must provide the status certificate within 10 days of receipt of the request and payment for it.

  Status certificates are particularly important for prospective buyers of resale units because they contain important information, such as:

  - A copy of the condo corporation's current declaration, by-laws, and rules.
  - A copy of the budget for the current fiscal year, the last annual audited financial statements and the auditor's report.
  - A statement of the most recent reserve fund study.
  - A statement of the common expenses for the unit and whether the unit is in arrears of payment.
  - If the common expenses for the unit have increased since the current year's budget was prepared, a statement of the increase and the reason.

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- If an assessment has been charged against the unit since the current year's budget was prepared, a statement of the assessment and the reason.
- The address for service for the condo corporation (e.g., the address where the condo corporation receives mail).
- The names and addresses for service for the directors and officers of the condo corporation.
- A certificate of insurance for each of the current insurance policies.
- Information about certain legal issues that may affect the condo corporation (e.g., whether there are outstanding legal judgments against the condo corporation, or if the condo corporation is involved in any ongoing litigation).

You can also access key information on any condo corporation in the province through the CAO's Public Registry. You may wish to consider speaking to a legal and/or real estate professional when considering purchasing a resale condo and before signing any documents.

1.4 Leasing Your Unit

Leasing out a condo unit is an option that many condo owners use at some point during their time as a condo owner, however, there are special considerations that you must keep in mind if you choose to lease out a condo unit. In Ontario, the *Residential Tenancies Act, 2006* outlines the rights and responsibilities of landlords and tenants who rent residential properties. The *Commercial Tenancies Act* applies to leasing commercial properties.

It is the responsibility of the unit owner to ensure that the renter abides by the condo corporation's declaration, by-laws, and rules. Additionally, a unit owner must, within 10 days of entering the lease or the renewal of the lease, provide the renter with these documents. Section 83 (1) of the Condo Act requires that an owner also notify the condo corporation that the unit has been leased within the same timeframe, and provide the renter's name, the unit owner's address and a copy of the lease or renewal or a summary of the lease or renewal. A form is available on the CAO's website which will allow you to easily communicate this information to a condo corporation.

If you plan on leasing your unit you must also be aware of restrictions that the condo corporation's governing documents may place on owners in relation to leases. For example, the condo corporation could have minimum terms for unit leases to prevent the units in the condo corporation from being used as short-term rentals.

Part 2: Moving into a Pre-Construction Condominium Unit

2.1 Interim Occupancy

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Interim occupancy occurs in pre-construction condo projects when the developer/builder lets the buyer take occupancy in the unit before the declaration has been registered and the title can be transferred to the buyer. During interim occupancy, you cannot make mortgage payments until the condo corporation is registered.

As your building nears completion, your developer/builder will advise you of your interim occupancy date. On the interim occupancy date, you can live in your unit, but it is important to note that you do not own it yet. Ownership of your unit can only be transferred to you once the condo corporation has been registered.

During the interim occupancy period, you will be required to pay the developer/builder an interim occupancy fee, regardless of whether you move into the unit or not.

The interim occupancy fee cannot be more than the total of:

- The interest (calculated monthly) on the unpaid balance of the purchase price at the prescribed interest rate;
- The estimated monthly municipal taxes for the unit; and,
- The projected common expense fees for the unit.

For additional information regarding interim occupancy, click here.

2.2 Creating the Condominium Corporation

Condominium Registration Process

Condo corporations are created when the developer registers the declaration and description with the Land Registry Office. Some registration requirements vary by the type of condo corporation being proposed (e.g., phased, common elements etc.).

The declaration and description are legal documents that contain fundamental information about the condo corporation and the property. The proposed or existing declaration must be included in the disclosure statement provided to you by your developer. You may wish to review this carefully.

The **declaration** will contain information such as:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The **description** defines the units and the common elements and specifies the boundaries between them. The description will contain information such as:

- A survey showing the boundaries of the property;

- Diagrams showing the shape and dimensions of each unit; and
- Specification of the boundaries of each unit and what is considered part of the common elements.

The Condo Act requires developers to take all reasonable steps to finish construction and register the condo corporation without delay.

More information about the declaration and description as well as your condo corporation's other governing documents can be found in section 3.3 of this Condo Guide, or by clicking here.

Declarant-controlled boards

*Please note that, for ease-of-understanding the Condo Guide uses the term "developer" throughout in place of the term "declarant", which is used in the Condominium Act, 1998. This section will use both as the term "declarant-controlled board" is used often in materials related to pre-construction and new condo projects.

Within ten days after the condo corporation has been registered, **the declarant (who is generally your developer/builder)** is required to appoint at least three individuals to make up the condo corporation's first board of directors. This first board is called the declarant-controlled board. The declarant-controlled board is responsible for carrying out all normal board duties until the declarant ceases to own a majority of the units in the condo corporation. For example, the declarant-controlled board may propose or make by-laws and rules. More information about condo boards and condo board duties can be found in section 3.2 of this Condo Guide.

Once the declarant ceases to own a majority of the units, the declarant-controlled board is required to call a meeting of the owners to elect a new board within 21 days. The meeting must then be held within 21 days of being called, meaning that the meeting must occur within 42 days of the declarant no longer owning a majority of the units. This meeting is called a turn-over meeting.

Turn-over Meetings

The turn-over meeting is an important meeting for the condo corporation because the turn-over meeting must cover two important items:

- The turn-over of important documents from the declarant (i.e. generally your developer or builder) to the condo corporation, and
- The election of the first owner-controlled condo board of directors.

The declarant is responsible for turning over important documents at the turn-over meeting such as:

- The condo corporation's minute book (a minute book is the primary record of a condo corporation's meetings);
- The condo corporation's declaration, by-laws, and rules;
- Agreements already entered into on the condo corporation's behalf;

The declarant must turn over other important information within 30 days of this turn-over meeting, such as:

- All financial records of the condo corporation and of the declarant for the condo corporation from the date of registration onwards;

- A copy of any reserve fund studies conducted to date (if any); and
- A copy of the most recent disclosure statement.

Within 60 days after the turn-over meeting, the declarant must also turn over audited financial statements.

Additionally, at the turn-over meeting, unit owners will vote for new board members. For certain requirements related to a turn-over meeting, see section 43 of the Condo Act.

First-Year Budget

According to section 72 of the Condo Act, the declarant (i.e. generally your developer or builder) is responsible for preparing, and including in the disclosure statement, the first-year budget (also referred to as the budget statement) which covers the one-year period immediately following the registration of the declaration and description. Information included in the first-year budget should include, among other things:

- The projected common expenses for the condo corporation;
- The particulars of the type, frequency, and level of services to be provided;
- The projected costs of the performance audit;
- The projected monthly common expense contribution for each type of unit;
- The projected cost of the first reserve fund study; and
- The costs of preparing the audited financial statements.

Overall, the first-year budget is meant to give you a good idea of the expenses you can expect to pay in addition to the cost of buying your unit.

Additionally, section 75 of the Condo Act requires that the declarant be accountable for the first-year budget. After receiving the audited financial statements for the period covered by the first-year budget, the board has 30 days to compare the actual expenses with the first-year budget prepared by the declarant. If there is a shortfall (i.e., there are less funds projected based on the first-year budget than the actual first year expenses), the declarant may be responsible for the shortfall.

2.3 Tarion and the Ontario New Home Warranties Plan Act

What is Tarion?

Tarion is an independent not-for-profit corporation with responsibility for administering the *Ontario New Home Warranties Plan Act*, including warranties and protections claims. Until early 2021, Tarion also serves the function of licensing new home builders and vendors.

For more information on Tarion, please visit their website by clicking here.

What is The Home Construction Regulatory Authority?

The Home Construction Regulatory Authority (HCRA) is an independent, not-for-profit corporation that is preparing to potentially be designated by the Ontario government as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If the HCRA is

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designated, Tarion would cease to regulate builders and vendors, subject to potential exceptions during transition. Tarion would remain responsible for warranty administration. At this time, it is expected that the future regulatory authority would be operational in early 2021.

For more information on the HCRA, please visit their website by clicking here.

New Home Warranties Plan Act and Coverage

Tarion's legal responsibilities and mandate come from the *Ontario New Home Warranties Plan Act*. In Ontario, all new residential condos are required to be enrolled in the Ontario new home warranty and protection program, administered by Tarion. If you purchase a new condo and there are warrantable defects (e.g., construction issues, unfinished work, etc.), you can report these to Tarion and your builder. If your builder does not fix the defects, Tarion may provide warranty assistance, if the item is warrantable. Be sure to visit the Tarion website for a breakdown of new home warranty and protection coverage and more information.

For more information about new home warranty coverage click here.

Information for purchasers of units in residential condominium conversions is available here.

The common elements of most condos are also covered by Tarion's warranties. If a common element requires warranty coverage, the condo corporation will address the issue (rather than any one individual owner). Section 44 of the Condo Act requires that between the six- and ten-month mark following the registration of the declaration, the board must appoint an engineer or architect to conduct a performance audit. This audit must be submitted to Tarion which will allow the corporation to make claims regarding issues with the common elements. If the corporation does not file in time, it will be impossible to make claims under the Tarion warranty program. It is common that the condo board directors appoint an individual to manage this process on behalf of the board.

To access more information on the common elements warranty process, please click here.

Pre-Delivery Inspection

A very important step for identifying potential issues or deficiencies is the pre-delivery inspection (PDI). A PDI is your chance to raise issues you notice with your new condo, such as incomplete construction, a damaged area, or an element of poor workmanship of the unit.

During the inspection, the builder of the condo will take you to inspect the new unit and may demonstrate the internal systems (such as air conditioning) of your unit. If you identify a defect during your PDI, your builder should note it on the PDI Form to establish that it existed prior to closing and thus was something not caused by you. It is your builder's responsibility to list these items and provide you with a copy of the completed PDI Form.

The PDI form is an important document, as it will be the official record of the state of your home before you move in, so keep your copy in a safe place. However, the PDI form is not an official warranty form and any items that are not corrected by the time you move in need to be listed on a 30-Day or Year-End Form.

Builder Registration/Licensing

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Under the *Ontario New Home Warranties Plan Act*, all new home builders and vendors must be registered with Tarion and enroll their homes in the Ontario new home warranty and protection program.

In early 2021, the Home Construction Regulatory Authority (HCRA) is expected to be designated as the new regulator for new home builders and vendors. As the regulator of new home builders and vendors upon designation, the HCRA would be responsible for receiving and responding to any licensing related inquiries or complaints regarding a builder or vendor. Tarion would remain responsible for any warranty-related inquiries or complaints.

Until early 2021, Tarion will maintain an Ontario Builder Directory of all new home builders and vendors. Buyers of new homes are encouraged to check the Ontario Builder Directory to ensure their builder or vendor is registered with Tarion.

In addition, the Ontario Builder Directory includes information about condominium projects retroactive to January 1, 2018, including cancelled condominium projects and the status of each condominium project (i.e., completed, in progress or cancelled).

If the HCRA is designated by the Ontario government as the new regulator for new home builders and vendors, the HCRA would become responsible for the Ontario Builder Directory once it is operational in early 2021.

Part 3: Condominium Living

3.1 Introduction to Condominium Living

Your Unit and Common Elements

In a condo corporation, as an owner, you typically own your individual unit and collectively share in the ownership of and expenses for the common elements.

Unlike units, common elements may not be for the exclusive use of a particular unit owner. Common elements may include parking garages, elevators, lobbies, and much more. They may also include structural elements like the walls between the units, doors, plumbing and electrical work.

Exclusive Use Common Elements

Certain common elements may be for the exclusive use of a particular condo owner. These are called exclusive-use common elements. An example of an exclusive-use common element may be the balcony of a unit. Although a condo owner might think of a balcony as part of their unit, it could be an exclusive-use common element.

Every condo corporation is unique in the breakdown between units and common elements. If you are unsure about what constitutes a common element in your condo corporation, you can refer to your condo declaration.

Rights and Obligations of Owners

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Condo owners in Ontario have rights and obligations that you should be aware of before purchasing a unit:

Rights

- Attending and voting at owners' meetings;
- Seeking election to the condo board, if qualified under the Condo Act;
- Reviewing certain records of the condo corporation, such as certain financial statements and meeting minutes;
- Requisitioning an owners' meeting in certain circumstances;
- Using the common elements and amenities of the condo corporation in accordance with the Condo Act and the condo corporation's declaration, by-laws, and rules; and
- Requesting that an item be added to an owners' meeting agenda.

Obligations

- Complying with the Condo Act and the condo corporation's declaration, by-laws, and rules;
- Repairing and maintaining your unit in accordance with and subject to the Condo Act and the condo corporation's declaration and by-laws;
- Paying your common expense fees on time;
- Notifying the condo corporation if your unit is leased; and
- Attending and voting at certain meetings.

Click here for more information on condo ownership.

3.2 Condominium Governance

Board of Directors and Board Responsibilities

The board of directors of a condo corporation that is turned over is an elected group of people that is responsible for governing the affairs of the condo corporation. The board of directors will ideally play a critical role in supporting a positive, healthy condo community and ensure that the condo corporation and its assets are well managed and maintained.

The board has certain responsibilities such as:

- Setting the condo corporation's annual budget;
- Making most decisions about how the condo corporation will spend its money, including selecting contractors or service providers your condo corporation will work with;
- Hiring and overseeing the work of a condo manager (should your condo corporation decide to get a condo manager);
- Ensuring required maintenance and repairs are carried out;
- Hiring specialists, such as engineers, to conduct reserve fund studies;
- Proposing changes to the condo corporation's rules and/or by-laws;
- Giving various notices to owners; and
- Making decisions related to the condo corporation's finances.

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A condo's board is usually made up of owners in the condo corporation (but can include non-owners depending on the provisions of the condo corporation's by-laws). Directors are elected by the owners and serve for defined terms. Directors must seek re-election when their term expires if they want to remain on the board.

Duties of Directors and Required Disclosures

Board directors are responsible under section 37 (1) of the Condo Act to exercise their power or carry out their duties for the condo corporation with a standard of care. This means directors have a duty under the Condo Act to:

- Act honestly and in good faith; and
- Exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

A condo corporation may also have a code of ethics outlined in a by-law. A code of ethics will govern matters such as conflicts of interest, confidentiality, and standards of behaviour at board meetings.

Individuals looking to become directors (i.e. candidates) must meet disclosure requirements listed under section 11.6 of Ontario Regulation 48/01 as well as any such requirements listed in the by-laws of the condo corporation. To qualify as a candidate an individual must disclose, among other things:

- Whether the candidate (or their spouse, child or parent) is party to a legal proceeding in which the condo is also a party;
- Whether the candidate has, directly or indirectly, an interest in a contract or transaction that the condo corporation is a party to;
- If the candidate is a unit owner with common expense fees in arrears for 60 days or more; and
- Whether the candidate has been convicted of an offence under the Condo Act or under the regulations within the preceding 10 years, a statement of that fact and a brief general description of the offence.

A director is immediately disqualified if they do not meet certain disclosure obligations. In addition, directors may be disqualified if they meet any of the criteria listed in section 29(2) of the Condo Act (e.g., they have the status of bankrupt).

More information regarding director disclosure obligations can be found on the CAO website here.

For a full list of disclosure obligations, please see 11.10 of Ontario Regulation 48/01.

Election Process

Aside from the developer-appointed directors, and instances where an individual is appointed to the board by the existing directors, directors are elected by the owners at a meeting, such as a turn-over meeting, an annual general meeting, a requisitioned meeting, or a meeting called specifically for elections due to loss of quorum. Directors usually serve for three-year terms, but this period may be shorter, depending on a condo corporation's by-laws. Once their term is over, they must seek re-election to continue to act as a board member.

Requirements for Being a Director

Before a candidate can become a director, there are a few requirements that must be met. The candidate must:

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- Be an individual;
- Be at least 18 years old;
- Not have a status of bankrupt;
- Not have been found incapable of managing property;
- Not have been found incapable by a court; and
- Meet the required disclosure obligations, as mentioned above**.**

Once an individual becomes a director, they can be immediately disqualified from their position if, for example:

- They are bankrupt;
- They have been found incapable of managing property or found incapable by a court;
- They have a certificate of lien registered against their unit that has not been discharged within 90 days;
- They failed to complete the mandatory director training within six months; or
- They failed to comply with mandatory disclosure obligations.

Note that different condo corporations may have additional requirements for directors. You may wish to check your condo corporation's by-laws for more information.

Director Training Requirements

All directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program provided by the Condominium Authority of Ontario (CAO) within six months of their appointment, election, or re-election, and at least once every seven years. Director training is provided for free and is easily accessible online on the CAO website.

Directors who fail to complete the training within the six-month timeframe are immediately disqualified from their board and cease to be a director.

Although director training is mandatory for directors, director training is not just for condo directors. It is available to any individual and contains plenty of useful information regarding condo living and condo governance.

If you wish to know more about director training, please click here for more information.

Meetings and Quorum

Condo meetings can be divided into two types: owners' meetings and board meetings. The Condo Act requires that a minimum number of participants be present at meetings, which is called "quorum". Without quorum, voting cannot take place, however discussion on relevant business is still permitted. Note that a corporation may also be able to make by-laws with respect to meetings, including with respect to quorum and voting. For owners' meetings, owners can either attend in person or by proxy. For more information on proxies, see **Voting by Proxy and Voting Method** below.

Owners' meetings are meetings in which all condo owners are invited to attend. The following are the most common types of owners' meetings:

- **Annual General Meetings** (AGM) are annual meetings where the board has the chance to report to owners on matters such as the financial health of the condo corporation. The AGM

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also gives owners the opportunity to discuss matters that are relevant to the business of the condo corporation. The following items may be on the agenda at an AGM:

- Approval of the minutes of the previous AGM;
- Review of year-end audited financial reports;
- Selection of the condo corporation's auditor for the next fiscal year;
- Report of the board of directors regarding matters like past performance;
- Major upcoming projects (e.g., repairs or renovations), potential by-law changes and ongoing issues; and
- Election of directors.

The standard quorum for an AGM is the owners of 25% of the units. If the quorum is not reached on the first two attempts to hold the AGM, the quorum is reduced to 15% on the third and on any subsequent attempts unless the by-laws specify otherwise.

- **Owner-Requisitioned Meetings** are meetings that the board is required to call at the request of the owners of the condo corporation. All owners can attend. Some examples of why owner-requisitioned meetings may be called include:
  - Voting on a proposed rule;
  - Discussion of an emerging issue (e.g., the behaviour of owners, residents, or guests); or
  - The removal and replacement of a director before the expiry of that director's term.

  Information related to requisitioning a meeting of owners can be found under section 46 of the Condo Act. Other sections also may be relevant.

  More information on requisitioning a meeting can be found here.

- **Board Meetings** are meetings attended by the condo board to manage the affairs of the condo corporation. The only people who are entitled to attend board meetings are the directors, however, condo boards may invite individuals to attend board meetings as guests. A condo's board of directors can only conduct condo related business at a board meeting. Before any condo business can be conducted, the board must make sure there is a quorum of directors attending the board meeting. For board meetings, quorum is a majority of the total number of positions on the board. For example, if there are 3 positions on the board, quorum would be 2 board members in attendance at the board meeting.

Voting by Proxy and Voting Method

At owners' meetings, votes may be held regarding condo business.

Unless the Condo Act provides otherwise, at a meeting, votes may be cast by:

- A show of hands, personally or by proxy
- A recorded vote that is:
  - Marked on a ballot cast personally or by a proxy;
  - Marked on an instrument appointing a proxy; or
  - Indicated by telephonic or electronic means if the by-laws so permit.

If you are an owner who cannot attend a meeting but still want to participate in decision-making, you can enable somebody who will attend the meeting to vote for you. This individual is called a proxy (who need not be an owner in your condo corporation). You can appoint a proxy by completing a legal document called a proxy form and giving the form to the proxy. You can create only one proxy per unit. If you co-own your unit, the proxy represents all owners of the unit.

A form is available on the CAO website which gives instructions on how to use a proxy, and how a proxy can vote in a meeting.

Notices

A condo corporation must provide various notices to owners to make owners aware of upcoming owners meetings. There are a variety of notices required under the Condo Act, such as:

- **Preliminary Notice of Meeting:** The Preliminary Notice of Meeting must be delivered to owners at least 20 days before a Notice of Meeting. The Preliminary Notice will, among other things, let owners know that a Notice of Meeting will be sent, state the purpose of the meeting, and, if applicable, request that individuals interested in being candidates for director positions notify the board in writing.

  More information about a Preliminary Notice of Meeting can be found by clicking here.

- **Notice of Meeting:** The Notice of Meeting must be delivered to owners in writing at least 15 days prior to the day of the meeting. A Notice of Meeting of owners will include the date, time, and place of the meeting. It must also identify the business to be discussed, among other things. No vote can take place on an item, other than routine procedure, that was not disclosed in the Notice of the Meeting.
    - If an owner wishes to receive notices electronically, they must provide an Agreement to Receive Notices Electronically form, and the condo corporation must have a statement of this method of receiving notices in the record of owners and mortgagees (unless the Condo Act provides otherwise).

  More information about the Notice of Meeting can be found on the CAO website here.

Information Certificates

Information Certificates help ensure that condo owners receive important information about the state of the condo corporation throughout the year. Information certificates can be broken down into three types:

- **Periodic Information Certificate (PIC)**. Sent out twice per fiscal year to all owners (within 60 days of the end of the first quarter and 60 days of the end of the third quarter). Includes key information about the condo's board, finances, insurance, reserve fund, legal proceedings, and other matters.
- **Information Certificate Update (ICU)**. Sent to owners if there are certain key changes before the next scheduled PIC (such as changes in the directors or officers of the condo corporation). To be distributed within 30 days of the change.

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- **New Owner Information Certificate (NOIC)**. Sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation. A NOIC covers the most recent PIC and any subsequent ICUs.

Condo corporations may be able to pass by-laws related to PICs and ICUs.

More information on Information Certificates can be found on the CAO website here.

Records Requirements and Process to Request or Examine Records

As a condo owner, you have the right to access certain records regarding how the condo corporation is managed. It is the condo board's duty to ensure that adequate records are kept and that they are retained for the legally required amount of time. If an owner wants to access certain records, they must use a Request for Records form. In their request, they can specify whether they wish to review records or request copies of records and they can indicate whether they would like electronic or paper copies.

As an owner, you may have the right to access:

- Your condo corporation's declaration, by-laws, and rules;
- The financial records of your condo corporation;
- The minute book containing the minutes of owners' meetings and the minutes of board meetings;
- A copy of the returns or notices of change that the condo corporation has filed with the CAO;
- All lists, items, records, and other documents from your condo corporation's turn-over meeting;
- A list of the names of the owners of each unit in the condo corporation and their address for service;
- All reserve fund studies and all plans to fund the reserve fund;
- All agreements entered by or on behalf of the condo corporation;
- All instruments appointing a proxy or ballots for a meeting of owners that are submitted at the meeting; and
- Other records as specified under the Condo Act, including in its regulations, or your condo corporation's by-laws.

More information about records can be found on the CAO website here.

3.3 Condominium Corporation Governing Documents

In addition to complying with all applicable requirements under the Condo Act, all owners, residents, employees of the condo corporation, guests and others must comply with the condo corporation's governing documents. It is very important that you read and understand a condo corporation's governing documents before purchasing a unit. If you are unfamiliar with the requirements set out in

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your governing documents, you may unknowingly cause issues, requiring the condo corporation to respond to enforce the provisions found in these documents. The governing documents include:

1. **The Declaration;**
2. **By-laws; and**
3. **Rules.**

The governing documents must be consistent with the Condo Act.

1. The **Declaration** is one of the foundational documents of the condo corporation. The declaration is often considered the constitution of the condo corporation and contains many important provisions. It will include:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The declaration may be changed with the consent of at least 80% or 90% of voting units depending on what the change is.

2. **By-Laws** describe how the condo corporation is to govern itself. The by-laws can be considered the administrative guide for the condo corporation. A condo corporation's by-laws often deal with a wide range of matters. For example, by-laws may govern:

- How directors are elected;
- How common expenses are collected; and
- When/how the condo corporation can borrow money.

By-laws must be both reasonable and consistent with the declaration, as well as the Condo Act. By-laws must be approved by the owners of a majority of the units, except where the Condo Act provides otherwise, and registered with the Land Registry Office.

3. **Rules** regulate the use of the units or common elements or assets in a condo corporation. The condo rules will dictate what individuals on the condo property can and cannot do. Rules must be reasonable and consistent with the declaration and by-laws, in addition to the Condo Act. Rules must either: promote the safety, security or welfare of the owners, property, or assets of the condo corporation; or prevent unreasonable interference with the use and enjoyment of units, common elements or assets. Examples may include:

- Restricting smoking, vaping and/or the growing of cannabis;
- Restricting short-term rentals; or
- Limiting the number or size of pets allowed in the building.

Upon making, amending or repealing a rule, the board shall give a notice of it to the owners that includes:

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- A copy of the rule;
- A statement of the date that the board proposed the rule will become effective;
- A statement which says that the owners have a right to requisition a meeting; and
- A copy of sections 46 and 58 of the Condo Act.

Owners who disagree with the rule may be able to requisition an owners' meeting regarding the rule and then have a vote during the meeting to prevent the changes to a rule(s) from being passed. If the owners do not requisition a meeting, the rule becomes effective the day after 30 days have passed since the board gave the owners notice of the rule. For more information on owner requisitioned meetings, please see section 3.2 of this Condo Guide.

More information about the declaration, by-laws, and rules can be found on the CAO website here.

3.4 Condominium Finances

Reserve Funds

A **reserve fund** is a fund that condo corporations use for major repair or replacement of common elements and assets as needed. The Condo Act requires that all condo corporations have a reserve fund. Adequate reserve funds and proper use of those funds are critical to maintaining the structural integrity of the condo corporation's property. Reserve funds may only be used for major repairs and replacements of the common elements and assets of the condo corporation. Condo corporations must collect contributions to the reserve fund from owners as part of their common expense fees. Condo corporations must complete reserve fund studies. Reserve fund studies are completed by certain specialists (e.g., engineers) and determine how much money needs to be in the fund to be able to pay for anticipated major repairs/replacements that will be needed in the future. Generally, after the first reserve fund study, reserve fund studies are completed/updated every three years.

More information about reserve funds and reserve fund studies can be found on the CAO website.

Common Expenses

Common expenses, which are typically described in the Condo Guide as "common expense fees" (also commonly known as condo fees or maintenance fees) are collected by the condo corporation under the Condo Act. In addition to including a contribution to the reserve fund as described above, common expense fees may be used to fund:

- The cost of maintenance to the common elements (e.g., standard elevator repairs, cleaning).
- The cost of your condo manager or management service provider.
- The condo corporation's insurance policies.
- Services, such as garbage or snow removal, landscaping, security etc.

As an owner, you are required under section 84 (1) the Condo Act to pay your share of common expense fees attributed to your unit. As per section 84 (3) of the Condo Act, you are obligated to pay your common expense fees even if:

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- You have waived or abandoned your right to use the common element(s);
- You have made a claim against the condo corporation; or
- The condo corporation's declaration, by-laws or rules restrict you from using the common element(s).

How are Common Expense Fees Calculated?

Condo boards make a budget every year which outlines various expenses for the fiscal year that are to be paid by the owners. The condo corporation's declaration will state the portion of the common expenses each owner is required to contribute, expressed as a percentage. The percentage may, but need not, relate to the size of your unit. The amount of common expenses you are required to contribute may fluctuate (e.g., increase) for various reasons (e.g., as the needs of the condo corporation change).

Section 56 (1) of the Condo Act also permits condo corporations to pass by-laws governing the assessment and collection of common expense fees.

Liens

If you as an owner default on your obligation to pay common expense fees, your condo corporation automatically has a lien on your unit. The lien will cover the unpaid amount owing as well as all interest, and all reasonable legal costs and expenses incurred by the condo corporation in its attempt to collect.

The condo corporation has three months from when the default occurred to register a certificate of lien, otherwise the lien will expire after three months of the default. At least ten days' notice is required to be provided to owners before the certificate of lien can be registered on title. Condo liens have priority over every other liability, including mortgages, subject to some exceptions, and may be enforced in the same manner as a mortgage.

Special Assessments

As described above, your condo corporation will create a budget for every fiscal year. Should there be a budget shortfall (i.e., where expenses exceed revenues), your condo corporation may levy a special assessment to cover expenses. A special assessment is an extra one-time charge added to your common expense fees.

Your board may need to levy a special assessment for unforeseen major expenses such as repairs related to flooding, costs related to legal proceedings, etc. Your condo corporation's by-laws may include provisions about special assessments.

Under section 84 of the Condo Act, you are required to pay your unit's share of the common expense fees, which may include special assessment fees. Your portion is calculated using the same percentage used to calculate your regular common expense fees.

More information about special assessments can be found on the CAO website here.

Chargebacks

A chargeback is an addition to an owner's common expense fees to reimburse the condo corporation for a cost it incurred. This is to ensure that certain expenses or costs incurred are not levied to all

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owners, particularly where they are not all responsible for the circumstances leading to the expense or cost.

Some chargebacks are specifically authorized by the Condo Act. For example, section 92 (4) of the Condo Act allows condo corporations to add repair costs to a unit's common expenses fees, where repairs were completed on an owner's behalf after they failed to complete them within a reasonable time. Condo corporations may also have provisions within their declaration that require owners to indemnify the condo corporation for certain costs, called an indemnification clause.

If an owner does not pay the chargeback, a lien will automatically be placed on the defaulting unit, just as would occur if the owner does not pay their regular common expenses on time. If the condo corporation registers a certificate of lien and the owner does not pay the lien in full (this is known as discharging the lien), the condo corporation has the ability to attempt to have the unit sold to cover the costs.

Condo Insurance

Under the Condo Act, condo corporations are required to obtain and maintain both property insurance and liability insurance.

- **Liability Insurance:** Under section 102 the Condo Act, condo corporations are required to obtain and maintain insurance against the liability resulting from a breach of duty as the occupier of the condo corporation's common elements or certain land as well as insurance against liability arising from the ownership and use of boilers, machinery, pressure vessels and motor vehicles.
- **Property Insurance:** Section 99 (1) of the Condo Act requires condo corporations to obtain and maintain insurance for damage to the units and common elements that is caused by certain major perils, including fire, smoke, lightning, windstorm, hail, or any other peril specified in the condo corporation's declaration or by-laws.

Standard Unit

A condo corporation's obligation to insure the units does not cover "improvements" made to units. Section 99 of the Condo Act states a condo corporation's obligation to insure against damage to units from major or other perils only includes what is called a "standard unit".

What constitutes a standard unit in your condo corporation is important as it not only outlines responsibility for property insurance coverage but also partly determines what the condo corporation or the condo owner is responsible for when dealing with repairs after damage.

For more information on where to find your condo corporation's definition of a standard unit, see section 3.5 of this Condo Guide - Living in Units and Using Common Elements.

Deductibles

According to section 105 (1) of the Condo Act, if an insurance policy obtained by the condo corporation has a deductible clause that limits the amount payable by the insurer, the condo corporation is responsible for paying the portion of a loss that is excluded from coverage, and that amount must be included in the common expenses.

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A single owner may be responsible for paying a deductible if a claim to the condo corporation's insurer arose due to the owner's (among others) action or inaction. In this case, the lesser of the deductible limit or the actual cost of the repairs must be charged back to that owner's unit. For more information on chargebacks, please see section 3.4 of this Condo Guide.

Your condo corporation may also have an insurance deductible by-law that would extend the circumstances in which an owner would be responsible for paying for a property insurance deductible. Common examples of extended circumstances could include:

- Where the owner, occupant, or guest of the unit, through an act or negligence causes the insured damage; and/or
- Where the insured damage is caused by accident (i.e., where no one is at fault).

3.5 Living in Units and Using Common Elements

Units vs. the Common Elements

For a description of what a common element is and what an exclusive use common element is, please refer to section 3.1 of this Condo Guide. As noted in section 3.1, common elements are elements which may not be for the exclusive use of a particular unit owner.

In a condo corporation, typically owners own their individual unit(s) and collectively share ownership of and expenses for the common elements (e.g. roof, hallways, elevators, pool).

What is considered part of a "unit" and what is considered part of the "common elements" will be outlined in the condo corporation's declaration and description. Schedule C of the declaration contains this information for most types of condo corporations, and more, as explained below. In addition, the Condo Act includes information about what is a unit vs. a common element. The term "common elements" generally means all the property except the units.

Understanding the breakdown between a unit and the common elements is important when considering repair and maintenance obligations, condo insurance, and making changes to your unit.

Repair and Maintenance Obligations

Section 89 (2) of the Condo Act requires that, subject to the Condo Act and a condo corporation's declaration:

- Condo corporations are responsible for repairing damage to both the common elements and units. This obligation to repair does not include any improvements made to units.

- Unit owners are responsible for maintaining their units (i.e., upkeep and repairing after normal wear and tear) and condo corporations are responsible for maintaining the common elements (e.g., parking, gardens, hallways, elevators, amenities, etc.).

The following documents, together with the Condo Act, are notable when it comes to figuring out repair and maintenance responsibilities:

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1. Schedule C. Schedule C (within your condo corporation's declaration) typically will outline unit boundaries and therefore clarify repair and maintenance responsibilities, especially in unclear areas (e.g., plumbing, electrical, areas behind drywall, etc.).

2. Standard unit by-law. A standard unit by-law or, if none, a schedule provided by the developer, will detail which components of a unit are the "standard unit" and therefore the responsibility of the condo corporation to repair.

Also, section 91 of the Condo Act allows condo corporations to alter these repair and maintenance obligations in their declaration. This means that when determining who is responsible for repairs or maintenance it is necessary to review your condo corporation's declaration. Note, there are some different repair and maintenance requirements under the Condo Act for different types of condo corporations (e.g., vacant land condo corporations).

Making Changes to Your Unit

A condo corporation's declaration, by-laws, and rules may contain rules about making modifications to your unit or common elements (such as requiring notice to the board, restrictions on design, décor, materials to be used, restriction on days or times when renovations are permitted, etc.). You may wish to review these requirements, as well as applicable requirements under the Condo Act, before considering changes to your unit.

Modifications to the Common Elements by Owners

Changes to the common elements (e.g., exterior walls) by owners generally will require board approval. Section 98 of the Condo Act states that an agreement (often referred to as a section 98 agreement) must be entered into between the condo corporation and the owner specifying, for example:

- The allocation of cost of the proposed modification between the owner and the condo corporation; and
- The respective duties and responsibilities of the owner and condo corporation for the costs of repairs after damage, maintenance, and insurance of the modification.

The board may approve a proposed modification, and there will be no requirement to provide notice to other owners if the modification is to an exclusive use common element, and the board is satisfied that the modification will not:

- Have an adverse effect on units owned by other owners;
- Give rise to any expense to the corporation;
- Negatively impact the appearance of buildings on the property;
- Affect the structural integrity of buildings; or
- Contravene the declaration or any prescribed requirements.

Right of Entry

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Section 19 of the Condo Act provides condo corporations, or a person authorized by the condo corporation, the right to enter units to perform the objects and duties or to exercise the powers of the condo corporation. They can only do so after providing reasonable notice to the owner of the unit.

Examples of when condo corporations may typically seek to enter units include:

- To perform maintenance and repairs to the common elements;
- To perform routine inspections on things such as smoke detectors; and
- To ensure compliance with the Condo Act and the condo corporation's declaration, by-laws, and rules.

Your condo corporation will also have the right to enter units in the case of an emergency, such as a fire or water leak, without any reasonable notice.

3.6 Condominium Management

Condo corporations, while not required to, may decide to hire a condo manager or a condo management company to oversee the condo corporation's day-to-day operations. Condo managers act on behalf of the condo corporation and are directed by the board of directors. A condo manager's range of responsibilities may include:

- Creating and maintaining records for the condo corporation;
- Responding to owner complaints;
- Coordinating the maintenance and repair of the property;
- Hiring and monitoring the performance of service providers;
- Preparing draft annual budgets and monitoring the reserve fund;
- Issuing meeting notices; and
- Organizing board meetings and overseeing administration of all owners' meetings.

Under section 17.0.1 of the Condo Act, condo corporations cannot enter into agreements with a condo manager or management company unless they are licensed through the Condominium Management Authority of Ontario (CMRAO). For more information about the CMRAO, see section 4.2 of this Condo Guide.

For more information on the CMRAO, you can visit their website by clicking here.

Part 4: Resources for Issues Resolution

4.1 Raising Issues with your Condominium Board

Occasionally, issues can arise with condo living. There are several options that may be available to condo owners who have concerns with their board of directors or condo corporation generally. Before raising any issues, you may wish to consult the governing documents of your condo corporation as

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some condo corporations may have specific protocols for raising issues. When raising issues, you may wish to consider the following:

1. **Writing a Letter to the Board**

   You may wish to contact your board to request formal consideration of your concern if you are experiencing a condo-related issue that you wish to raise with the board. Within the letter or email it is helpful to provide as much detail as possible about the issue.

   The CAO also has email and letter templates for writing to your board, available on the CAO website by clicking here.

2. **Requisitioning a Meeting of Owners**

   Owners may be able to requisition a meeting to discuss certain issues. For example, owners may be able to requisition a meeting to discuss:

   - The removal and replacement of a director before the expiry of that director's term;
   - A proposed new rule or change or repeal of an existing rule; and
   - The discussion of any emerging issue (e.g., a board decision).

   For more information on meetings in general, see section 3.2 of this Condo Guide.

   For more information regarding the requisitioning of meetings, please click here.

3. **Raising Issues at an AGM**

   An AGM provides another opportunity to bring up issues regarding the condo corporation and condo business to the board and other owners. Owners may be able to raise their concerns at their AGM. Section 45(3) of the Condo Act states that owners may raise any matters for discussion in the AGM, as long as they are relevant to the affairs and business of the condo corporation.

4. **Seeking Legal Advice**

   If a particular issue cannot be resolved through any of the above options, you may wish to consider seeking legal advice.

   If you require legal advice, you may wish to contact a lawyer or paralegal familiar with condo law. The names of lawyers or paralegals may be obtained from the Law Society of Ontario Referral Service. They may provide a free consultation of up to 30 minutes.

Additionally, you may wish to consider reviewing the CAO's Issues and Solutions page for additional information on common issues associated condo living.

4.2 The Condominium Authority of Ontario

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The CAO is a not-for-profit organization designated by the Ontario government to administer delegated provisions of the Condo Act and its regulations. The CAO's role is to support condo living by providing services and resources for condo communities and the general public. These include:

- Offering information about condo living to condo owners, residents, and other members of the public;
- Administering mandatory training for condo directors;
- Hosting and providing access to several mandatory and optional condo forms;
- Maintaining the CAO's Public Registry, which contains and displays information filed with the CAO through returns and notices of change; and
- Overseeing an online dispute resolution forum - the Condominium Authority Tribunal (CAT).

The CAT is an online tribunal that is authorized to resolve certain disputes primarily between condo corporations and owners. Part I.2 of the Condo Act and related regulations, including Ontario Regulation 179/17, set out certain provisions related to the CAT's jurisdiction.

Currently, the CAT resolves certain disputes relating to:

- the retention of and access to condo records.
- condo corporation governing document provisions about:
    - vehicles;
    - pets or other animals;
    - parking and storage; and
    - indemnification or compensation of the condo corporation, owner or mortgagee related to the above-noted governing document disputes.

For more regarding the CAT, its function, and its jurisdiction, click here.

4.3 Condominium Management Regulatory Authority of Ontario

The Condominium Management Regulatory Authority of Ontario (CMRAO) is a not-for-profit corporation that is responsible for administering provisions under the Condominium Management Services Act, 2015 (CMSA), including by licensing condo managers and management providers. The CMRAO:

- Ensures that condo managers and condo management companies are licensed, meet education standards, and comply with a code of ethics, among other requirements.
- Maintains a list of licensed condo managers and condo management providers.
- Promotes awareness of the condo management regulatory system and enforces compliance with the CMSA.

Handling Complaints

If you think your condo's manager or management service provider is in violation of the CMSA you can submit a complaint to the CMRAO. If the registrar of the CMRAO receives a complaint about a licensee, the registrar may do any of the following, as appropriate:

- Attempt to mediate or resolve the complaint;

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- Give the licensee a written warning;
- Require the taking of further educational courses;
- Refer the matter, in whole or in part, to the discipline committee;
- Propose to suspend, revoke, or add conditions to a licence;
- Propose to refuse to renew a licence; or,
- Take further action as is appropriate in accordance with the CMSA.

More information about making a complaint can be found on the CMRAO's website here.

4.4 Compliance and Enforcement Mechanisms

Responsibility to Comply with the Condo Act

Section 119 of the Condo Act provides that the condo corporation, owners, directors, officers, employees, mortgagees, developer and occupants are all required to comply with the Condo Act as well as the condo corporation's declaration, by-laws, and rules.

Section 17 (3) of the Condo Act provides that condo corporations have a duty to take all reasonable steps to ensure that owners, occupiers, lessees, agents and employees of a condo corporation comply with the Condo Act, the declaration, the by-laws and the rules. Additionally, section 119 (2) of the Condo Act provides that owners are obliged to take all reasonable steps to ensure occupants and visitors of their unit also comply with the Condo Act, the declaration, the by-laws, and the rules.

Mediation, Arbitration, and Compliance Orders

Under section 132 of the Condo Act, certain disputes must be resolved through mediation or arbitration. Condo corporations may also have provisions in their declaration or by-laws establishing a procedure for resolving certain disputes and compliance.

To resolve certain disputes between an owner and the condo corporation, the first step would be mediation, and then arbitration, if required.

As per section 134 of the Condo Act, certain compliance disputes may be resolved through an application to the Superior Court of Justice, including if the mediation and arbitration process has failed to solve the issue. Condo corporations, owners, occupants of a proposed unit, and developers are all entitled to apply as set out in that section; however, it is recommended to talk to a lawyer or paralegal if considering any legal action.

Please note that sections 132 and 134 of the Condo Act do not apply to disputes that may be brought to the CAT.

Offences Under the Condo Act

Sections 136.1 and 137 of the Condo Act set out provincial offences under the Condo Act that the Ministry of Government and Consumer Services (Ministry) administers. If you have information about conduct you believe may constitute an offence under section 136.1 or section 137 of the Condo Act, you may provide that information to the Ministry.

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You can file the information by clicking here.

The Ministry will review the information and determine if compliance or enforcement action would be appropriate. Please note that not every complaint will lead to compliance or enforcement action.

Section 136.2 of the Condo Act sets out provincial offences under the Condo Act which are administered by the CAO. If you have information about conduct that you believe may constitute an offence under section 136.2 of the Condo Act, you may provide that information to the CAO.

Part 5: Glossary of Key Terms

Addendum: The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to.

Agreement of Purchase and Sale: The Agreement of Purchase and Sale contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations as seller (as applicable), the unit, and the condo construction project.

Annual General Meeting: Annual owners' meeting where the board of directors presents to the owners on the financial health of the condo corporation and other business.

Board Meetings: Meetings attended by board members to manage the affairs of the condo corporation.

By-laws: By-laws are part of the condo corporation governing documents. By-laws govern how a condo corporation operates. By-laws can cover topics such as: the size of your condo board, the process for electing directors, and the format of board meetings. By-laws must be consistent with the declaration and the Condo Act as well as reasonable.

Chargebacks: Charges that are added to the amount of a unit owner's common expense fees. This may happen, for example, due to a condo corporation handling an owner's maintenance obligations or where a condo corporation incurs certain court costs in a legal proceeding against an owner to enforce compliance.

Common Elements: All condo property except units.

Common Elements Condominium: A condo corporation that creates common elements but does not divide the land into units. Owners purchase land tied to part of a common element condo corporation in which they also have an ownership interest (such as a shared road, ski hill or golf course) and pay common expense fees.

Common Expense Fees: The amount of money that an owner contributes in the proportions specified in the declaration. These go towards paying expenses (operating and reserve), including for, among other things, the maintenance and upkeep of the condo corporation's common elements.

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Condo Corporation: A legal entity that comes into existence when a declaration and description are registered with the Land Registry Office. All units and common elements are part of a condominium corporation, and condominium corporations are governed by boards of directors on behalf of owners.

Condo Manager: An individual licensed by the Condominium Management Regulatory Authority of Ontario who is hired by a condo corporation to oversee a condo corporation's day-to-day operations. Condo managers are accountable to the board of directors of the condo corporation.

Condominium Act, 1998 (Condo Act): The Condo Act provides a legal framework that enables condo owners and their elected board of directors to make decisions about the governance of a condo corporation.

Condominium Authority Tribunal (CAT): an online tribunal administered by the Condominium Authority of Ontario that is authorized to resolve certain disputes primarily between condo corporations and owners.

Condominium Management Services Act (CMSA): The CMSA provides a framework for regulating condo managers and condo management providers and requires that they be licensed to provide condo management services in Ontario.

Cooling Off Period: Ten-day period within which buyers of pre-construction condos have the right to rescind, or cancel, a purchase agreement they have signed, for any reason whatsoever. Begins on the later of the date the buyer received the disclosure statement, a copy of this Condo Guide, and the copy of the agreement of purchase and sale.

Declarant: The owner of the land where the condo corporation is being established. *Note that, for ease-of-understanding, the Condo Guide sometimes uses the term "developer" in many places in place of the term "declarant", which is used in the Condominium Act, 1998. The Ontario New Home Warranties Plan Act also uses the terms "vendor" and "builder".

Declaration: Governing document that contains important information about the condo corporation, such as the percentage that the unit owner must contribute to the common expenses and a breakdown of the responsibilities for repairing and maintaining the units and common elements.

Description: The description defines the units and the common elements and specifies the boundaries between them.

Declarant-Controlled Board: A condo corporation board including directors appointed by the declarant (i.e. the developer).

Delayed Occupancy: When a unit buyer is unable to take possession of the new residential unit by the firm or outside occupancy dates contained in the Addendum to a purchase agreement.

Director / Board of Directors: The individuals who are appointed or elected to manage the affairs of the condo corporation. Directors are responsible for making important decisions and serve for terms of up to three years.

Director Training: Training program provided by the Condominium Authority of Ontario. All condo directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program within six months of their appointment, election, or re-election. Directors do not have to take the training if they have completed the program within the previous seven years.

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Disclosure Statement: A document that your declarant must provide when you purchase your unit from them or someone benefiting them, and which includes important information about your unit and the condo corporation (proposed or registered).

Exclusive Use Common Elements: Are common elements that specific unit owners/occupiers have exclusive use of (e.g., a balcony connected directly to a single unit).

Governing Documents: A condo corporation's declaration, by-laws, and rules.

Information Certificates: Information Certificates help to ensure that owners receive ongoing information about their condo corporation throughout the year. There are three types: Periodic Information Certificates, Information Certificate Updates, New Owner Information Certificates.

Information Certificate Updates: are information certificates which include information on certain key changes before the next scheduled Periodic Information Certificate (such as changes in the directors or officers of the condo corporation). These are to be distributed within 30 days of the change.

Interim Occupancy: When a buyer takes occupancy of their unit before the condo corporation has been registered with the Land Registry Office, and before ownership is transferred to the buyer. The duration of the interim occupancy is called the interim occupancy period, and during that period the buyer is required to pay occupancy fees.

Interim Occupancy Fee: The amount that a buyer is required to pay the declarant during the interim occupancy period.

Interim Occupancy Period: The period from your interim occupancy date to the date ownership is transferred to you.

New Owner Information Certificates: Information certificates which are sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation.

Notices: Notices are documents containing information that an individual is entitled to receive as a unit owner. Notices will be delivered to you in either hardcopy or digitally (if the condo corporation and owner agree to electronic delivery or if that is otherwise permitted).

Owners' Meetings: Meetings which all owners are invited to. Includes annual general meetings, owner-requisitioned meetings, turn-over meetings, and meetings called by the board regarding the transaction of any condo business.

Owner-Requisitioned Meetings: Meetings requested by the owners to discuss/vote on a specific topic, such as the removal of a director or voting on a rule proposed by the board of directors.

Periodic Information Certificates: Information certificates which focus on the condo corporation's board, finances, insurance, reserve fund, legal proceedings, and other matters.

Phased Condominium: A condominium that is built and registered in phases. Once the construction is complete, it becomes a standard condominium.

Quorum: The law requires that a minimum number of owners be present (either in person or by proxy) at a meeting. Without quorum, voting cannot take place, however discussion on relevant business is still permitted.

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Reserve Fund: A fund condo corporations save and use to handle the larger financial burdens, for major repair or replacements of common elements and assets as needed.

Reserve Fund Study: Determines how much money needs to be in the reserve fund to ensure the major repairs/replacements can be paid for in the future. The reserve fund study must be prepared by a specialist, like an engineer. The board of directors approves the study, then informs owners of the results of the study.

Rules: Rules are part of the condo corporation's governing documents. Rules exist for the protection of those living in the condo corporation as well as the protection of the assets of the condo corporation itself, and to prevent unreasonable interference with the use and enjoyment of the units, common elements, and assets of the condo corporation. Rules must be consistent with the Condo Act and the declaration and by-laws of the condo corporation as well as reasonable.

Special Assessment: An extra one-time charge added on top of an owner's common expense fees.

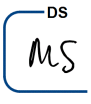
Standard Condominium: The most common type of condo corporation in Ontario, where the condo corporation is made up of units and common elements.

Statement of Critical Dates: The Statement of Critical Dates can be found in the Addendum to your purchase agreement. The Statement contains the dates you can expect to take occupancy of your unit, as well as other important information.

Status Certificate: A document that anyone can request from a condo corporation and which contains important information about the unit and condo corporation.

Turn-Over Meeting: The meeting held by the declarant-controlled board within 42 days of the declarant ceasing to own a majority of the units. At this meeting, the owners will elect a new board and the declarant-controlled board will turn over several items to the new owner-elected board.

Vacant Land Condominium: A type of condo corporation in which the units may be vacant lots at the time of purchase, and the condo corporation may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.



Appendix “D9”

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AURORA MILLS
BUSINESS PARK

Block 5, Unit 12

AGREEMENT OF PURCHASE AND SALE

1.01 **Agreement to Purchase**

The undersigned 2593142 Ontario Inc. (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being Block 5, Unit number 12, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of [redacted] thirty (30) days after the date of the Purchaser's execution of this Agreement, which sum, equals 5 % of the Purchase Price;

(c) the sum of [redacted] sixty (60) days after the date of the Purchaser's execution of this Agreement, which sum, equals 5% of the Purchase Price;

(d) the sum of [redacted] by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5% of the Purchase Price; and

(e) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be _____ (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: Manufacturing / Distillery (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

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DATED at 4:30pm, this 22nd day of January, 2022. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

2593142 Ontario Inc.

Per: DocuSigned by: Michael Ball 4DC7313AAFA546E...
Name:
Title:

Per: DocuSigned by: James Ball 3F5953E4CEC04FB...
Name:
Title:
I/We have the authority to bind the corporation

Purchasers' Address:

39 Hackett Street,
East Gwillimbury,
Ontario
L9N0P8

Purchaser's Telephone Numbers:

Home: (_____)

Business: (_416-997-6074_____)

Fax: (_____)

E-mail: mball@caliberenv.com

Purchasers' Solicitor:

Name: _____

Address: _____

Tel: _____ Fax: _____

2352107 Ontario Inc.

Per: DocuSigned by: Paolo Abate 96445806EC6E4CC...
Name: Paolo Abate
Title: ASO
1/27/2022

I have authority to bind the Corporation.

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: Aaron M. English
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

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AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.

Demising Walls:

- 6 Inch concrete block walls from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 25 feet, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Steel exit door with metal frames and vendor standard hardware.
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

Warehouse Area:

- Heating will be provided by a gas forced air hanging unit, suitable for size of warehouse area as determined by Vendor engineers and consultants.

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Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

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AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

THE UNDERSIGNED, being the Purchaser of the Unit described as Block 5, Unit 12, (the "**Unit**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated January 7th, 2022 and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

DATED at 4:30pm, this 22nd day of January, 2022.

2593142 Ontario Inc.

Per: DocuSigned by: Michael Ball 4DC7313AAFA546E...
Name:
Title:

Per: DocuSigned by: James Ball 3F5953E4CEC04FB...
Name:
Title:
I/We have the authority to bind the corporation

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AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act*, *1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the loading and service areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) **"Lands"** or **"Property"** shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M- _____, currently being parts of PIN Nos. 03620-1629 and 03620-1632 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

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the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

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for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia*, the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

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accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld or delayed. The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet, regardless of whether or not the Vendor provides the requested consent;

(v) The Vendor shall have the right to enter the Unit at all reasonable times (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of electricity in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s) or utility provider(s) selected by the Vendor in the form required by such utility monitor(s) or utility provider(s) as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s) or utility provider(s) prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

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responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

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and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule “B” attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or

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otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) in the Vendor's sole and absolute subjective discretion. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be;

(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of ten thousand ($10,000.00) dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's

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Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the

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Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee**,** plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) feet high and twenty (20) feet wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

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(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

5. **No Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the "**ONHWPA**") and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA.

The Purchaser acknowledges and agrees that other than the Vendor's obligation to complete the Unit in a good and workmanlike fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage,

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twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

6. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend

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personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

7. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

8. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

9. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park

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area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "Development Agreements");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium, including, without limitation, the restrictions relating to Exclusivity Rights as more particularly set out in this Agreement and in the Condominium Documents;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

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(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is

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not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 9 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 9 or to evidence the survival of the terms herein set out.

10. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To-take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

11. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) (i) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(ii) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced

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by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

12. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

13. **Adjustments and HST**

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor’s contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor’s option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

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(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads;

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area;

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs (collectively, the "**Levies**") incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority, and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor;

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up

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fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor’s solicitor’s reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

(w) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the leasing of the generator(s) and/or boiler(s) for the Condominium prior to registration of the Declaration and Description; and

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto.

If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor’s solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor’s solicitor, by way of certified cheque(s) drawn on a solicitor’s account and made payable to the Vendor’s solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and other services attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith

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upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

14. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

15. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

16. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser’s only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor’s reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and

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which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

17. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

18. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

19. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

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(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser’s Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 19 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits an amount apportioned to the Unit and the Purchaser on account of the Vendor’s legal fees relating to such termination and the return of the Purchaser’s deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance (but in any case not less than $10,000) as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall

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be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

20. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

21. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

22. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

23. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

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In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

24. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser’s expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor’s consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor’s solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser’s solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor’s solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser’s solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor’s solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor’s Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor’s solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

25. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor’s tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in

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writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

26. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

27. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

28. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

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Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5**,** with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

29. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

30. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

31. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

32. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 4:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser

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shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

33. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future development agreements affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such acknowledgements or amendments forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

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(b) The Purchaser expressly acknowledges that at the date of execution of this Agreement, draft plan and/or site plan approval pursuant to the provisions of the Planning Act, R.S.O. 1990 (the draft conditions) as amended may not yet have been obtained with respect to the Condominium. The Purchaser further acknowledges that the draft conditions and any Development Agreements may contain warnings, and other provisions which are required to be included in agreements of purchase and sale for units in the Condominium. The Purchaser covenants and agrees to execute any and all documentation, including an amendment to this Agreement, as may be required by the Vendor, and in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement, and acknowledged by the Purchaser.

(c) Without limiting the generality of the preceding subparagraph, the Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs,

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illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor’s operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John’s Sideroad) and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor’s construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser’s successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser’s successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser’s successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of

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such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other problems, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(w) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

34. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

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35. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

36. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

37. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

38. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

39. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

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(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium, and will not violate any of the Exclusivity Rights in favour of certain units in the Condominium as described above.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

40. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser covenants and agrees to provide to the Vendor, forthwith upon request by the Vendor, all identity and other information required by the Vendor in order to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000 as amended, as well as the Financial Transactions and Reports Analysis Centre of Canada. In addition, for the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Unit, 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 residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information, 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

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entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

(a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, as well as other future condominium declarants 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 condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(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 condominiums 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, and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, 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 Unit and the installation of upgrades ordered or requested by the Purchaser and agreed to by the Vendor;

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

(h) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);

(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(1)(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 the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the condominium corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

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

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

41. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement

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is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

42. **Purchaser Selling or Assigning**

The Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

43. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

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Ontario's Residential Condominium Buyers' Guide

Last Updated: November 6, 2020

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Ontario's Residential Condominium Buyers' Guide - Using the Condo Guide

Purpose

According to section 72 (1) of the Condominium Act, 1998 (the "Condo Act"), Ontario's Residential Condominium Buyers' Guide ("the Condo Guide") prepared by the Condominium Authority of Ontario (CAO) is required to be provided to buyers of residential pre-construction/new condo units by the declarant ("developer") when buyers are purchasing from the developer or a person acting on behalf of or for the benefit of the developer. Purchasers of resale residential condo units may also wish to review the Condo Guide.

This Condo Guide has been approved by the Minister of Government and Consumer Services.

The purpose of the Condo Guide is to provide condo purchasers in Ontario with information and resources to make a more informed decision when purchasing a residential condo unit ("unit").

Under section 73(2) of the Condo Act, purchasers have a 10-day cooling off period in which they may rescind their agreement of purchase and sale. This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale and your disclosure documents and the Condo Guide. The CAO recommends that you carefully review the disclosure statement, agreement of purchase and sale, and the Condo Guide within the 10-day period.

The Condo Guide can be found below, commencing on page three with the table of contents, and will be updated from time-to-time. To confirm that you have the most up-to-date version, please visit the CAO website at www.thecao.ca.

Important Information Regarding Governing Documents

To make sure a particular condominium corporation ("condo corporation") is right for you, you may wish to read a condo corporation's existing or proposed governing documents, as applicable, before purchasing a unit. Information describing these governing documents, which consist of **1) the declaration; 2) the by-laws; and 3) the rules** is provided in the Condo Guide in Sections 1.1 and 3.3.

These documents, along with the rest of the disclosure statement (including the budget statement), and the agreement of purchase and sale, contain important information about what you are buying, and what you will need to pay for etc. This information may impact your decision to purchase a unit. If you have questions about the information contained in these documents, you may want to seek help from a legal professional.

Key Information for Buyers of Pre-Construction Residential Condo Units

To find information about buying a unit from a developer, you should review the following sections of the Condo Guide:

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- Introduction
- Part 1.1: Before You Buy a Pre-Construction Condominium Unit
- Part 1.2: Buying a Pre-Construction Condominium Unit
- Part 1.4: Additional Considerations
- Part 2: Moving into a Pre-Construction Condominium Unit

For more information on rescission of agreements of purchase of sale within the 10-day cooling off period, please visit Part 1.2 of the Condo Guide.

Key Information for Buyers of Resale Residential Condo Units

To find information about buying a unit from an existing owner (i.e. a 'resale condo' that is not sold by the developer), you should review the following sections of the Condo Guide:

- Introduction
- Part 1.3: Buying a Resale Condominium Unit

Key Information for Condominium Owners

To find information about condo living and governance that may be helpful before or after your condo purchase, you should review the following sections of the Condo Guide:

- Part 2.3: Tarion and the Ontario New Home Warranties Plan Act
- Part 3: Condo Living
- Part 4: Resources for Issues Resolution

Next Steps

Given the importance of this buying decision and the many factors to the condo purchase process, along with your expectations for condo living, it is important that you carefully review the condo corporation's governing documents, the rest of the disclosure statement (including the budget statement), the agreement of purchase and sale, and this Condo Guide. Also, the CAO is encouraging condo owners to subscribe to our email list to receive important email updates from the CAO. You can subscribe by either clicking here.

Additional information on the above can also be found on the CAO's website at www.thecao.ca.

You may also wish to consider seeking legal advice for any questions or concerns that you may have.

Please note that the material in the Condo Guide should not be interpreted as legal advice.

This Condo Guide has been approved by the Minister of Government and Consumer Services and is intended to apply to the purchase of new and pre-construction residential condominium units beginning on January 1, 2021.

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Ontario's Residential Condominium Buyers' Guide

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Introduction

What is a Condominium?

When most people hear the word “condo” they may think of a single residential tower or maybe a townhouse, but what “condo” really refers to is a specific kind of real estate ownership structure that involves shared ownership of common elements and community decision making. This means that a condo could resemble a park, parking lot, or even an empty field. If you are considering purchasing property in a condo corporation, it is important to understand upfront that condo living involves shared ownership and therefore a responsibility to your community.

Unlike when you own a traditional house, when you purchase a condo you become part of a condo community and become responsible for paying your share of the common expenses and complying with the condo corporation’s governing documents, among other things. You will also be able to participate in condo governance by, for example, voting for directors.

A “condo” is also a type of corporation. A condo corporation is responsible for making decisions about the condo property on behalf of the owners. A condo corporation may also get a condo manager/management services provider to help manage the property and the affairs of the corporation on the corporation’s behalf. The condo property is described in certain documents that must be completed and officially registered to establish the condo corporation. Those documents specify how the land is divided into units and common elements, as applicable. The owner of the land where the condo corporation is being established arranges for those documents to be registered with a Land Registry Office. That owner is known as a “declarant”, who may be the developer of the land. The condo owners (e.g., unit buyers) are the members of the condo corporation. The Condo Act sets out rights and responsibilities related to the management of a condo, including rights and responsibilities of condo owners and condo boards.

Condo corporations are created for many different uses including for residential, commercial, industrial, or mixed-use purposes.

Different Kinds of Condominiums

The Condo Act outlines various types of condo corporations. There are two main categories of condo corporations: freehold and leasehold. Freehold condos are condo corporations where the condo property is owned by the condo owners. Leasehold condos are condo corporations on leased land. Owners have a leasehold interest in units and common elements but do not own the land. Under the Condo Act, there are **four** different types of freehold condos:

1. Standard Condominium

- The most common type of condo corporation in Ontario.
- Has individual units.
- May include common elements, which often include areas such as a foyer, exterior walls, and amenities (e.g., pools, gardens).

2. Phased Condominium

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- A condo corporation that is intended to be built and registered in phases.
- New units and common elements are constructed and added to the condo corporation.
- Upon completion, a phased condo corporation becomes a standard condo corporation.

3. Vacant Land Condominium

- The units may be vacant lots at the time of purchase, and the layout of the lands may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.
- The developer can sell the lots as vacant or build (e.g., homes) on the lots and sell the lots with buildings on them.

4. Common Elements Condominium

- There are no units in this type of condo corporation. Instead, ownership is of a common interest in the common elements of the condo corporation by a separate parcel of land that is "tied" to the common elements corporation.
- Owners purchase a part of a common elements. Examples include shared roads, golf courses, or ski hills.

Leasehold Condominium

- Developed on land that is leased for a term between 40 and 99 years.
- Common expenses include a portion of the rent payable to the landowner.
- Once the lease expires, the owners' rights to occupy their units are automatically terminated.
- Leasehold condo corporations may be less common in Ontario.

It is important to note that the Condo Act has some different requirements for different types of condo corporations.

Part 1: Buying a Condominium Unit

1.1 Before you Buy a Condominium Unit

One of the most important steps you can take before you buy is to educate yourself and get the help you need to make an informed decision. Consulting this Condo Guide is a good start, but it is also important to seek legal advice before you buy. Buying a condo is a complex process and involves reviewing lengthy and sometimes difficult-to-understand documents. Seeking legal advice is the best way to ensure you are making an informed decision.

Reviewing a condo corporation's governing documents provides an opportunity to learn important information about the condo corporation you are considering. The information found in a condo corporation's governing documents may be key to your enjoyment of your unit and could have an impact on your buying decision. For more information on governing documents, including the 1) the declaration; 2) the by-laws; and 3) the rules**,** see section 3.3.

Researching builders is another important step you may wish to take before purchasing a pre-construction unit. It is important to ensure that the builder you plan to buy a unit from is licensed by Tarion (Ontario's new home warranties and protections administrator – for more information see section 2.3 of this Condo Guide).

Tarion's Ontario Builder Directory is a useful resource for confirming the status of the builders before you buy. Please note that the Ontario Builder Directory will be available through The Home Construction Regulatory Authority (HCRA) starting in early 2021.

The HCRA is an independent, not-for-profit corporation that is preparing to potentially be designated as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If a regulatory authority is designated, Tarion would cease to provide this function, subject to potential exceptions during transition. At this time, it is expected that the future regulatory authority would be operational in early 2021.

1.2 Buying a Pre-Construction Condominium Unit

Documents to Review

Along with reviewing the information in this Condo Guide, it is important to review and fully understand the information in the following documents that are generally required to be provided to purchasers by developers:

1. **Pre-construction Agreement of Purchase and Sale**

The agreement of purchase and sale, sometimes referred to as the purchase agreement, contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations, the unit, and the condo construction project. You may wish to review this document carefully with a legal professional.

2. **Tarion's Information Sheet for Buyers of Pre-Construction Condominium Homes about the Possible Termination of Purchase Agreement**

All buyers of residential units in a standard or phased pre-construction condominium project where the first arm's length purchase agreement for the project was signed on or after January 1, 2020 must be given an information sheet that includes an outline of the possible risks of buying a unit in a pre-construction condominium project, in addition to other information (e.g., the estimated occupancy date for your unit and the status of construction).

3. **Tarion Addendum**

The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to. Information contained in the Tarion Addendum includes the delayed occupancy warranty provided by the builder, in accordance with the Ontario New Home Warranties Plan Act. The Tarion Addendum also contains a Statement of Critical Dates and early termination conditions that apply to the

agreement. In a disagreement or dispute about information contained within the agreement of purchase and sale and the Tarion Addendum, the Tarion Addendum prevails over the agreement of purchase and sale document and any other attachments to the extent of any conflict or inconsistency.

4. **Disclosure Statement**

Another very important document to review and understand is the disclosure statement which the builder is required to provide to condo buyers who buy directly from the developer or a person acting for the developer's benefit. This is required under section 72 of the Condo Act. Your agreement of purchase and sale is not binding on you as a buyer until you receive the disclosure statement and this Condo Guide from the developer.

The disclosure statement includes a lot of important information, including but not limited to:

- A copy of the existing or proposed declaration, by-laws, and rules for the condo corporation.
- A summary of the agreements to be entered into by the builder before the turn-over meeting, including agreements for condo management services and services like repairs and landscaping, and
- A copy of the budget statement for the first year after registration of the condo corporation.

It is important to carefully review the disclosure statement, consult with a legal professional about it and ensure that you do not have any outstanding questions.

Deposits

Generally, under the Condo Act, funds received by the builder of a condo project must be held in trust. This includes deposits and certain other payments covered by the purchase agreement.

If a project is terminated, the builder is generally required under the Tarion Addendum to refund all monies paid, plus interest, if any, calculated in accordance with the Condo Act (for information on the interest rates, see section 19 (3) of Ontario Regulation 48/01 under the Condo Act).

If the money is not refunded, then buyers may be able to make a claim to Tarion under the *Ontario New Home Warranties Plan Act*. Deposits and other payments by residential condo buyers are protected under the *Ontario New Home Warranties Plan Act* for up to a maximum of $20,000.

For more information about deposit protection, please click here.

Cooling Off Period and Rescission of Agreement

Section 73 of the Condo Act provides you as a buyer with a cooling off period of 10 days to consider whether you want to proceed with the purchase. Section 73 allows you to rescind the purchase agreement by notifying the developer of your wish to do so within the 10-day cooling off period.

This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale executed by the declarant and the purchaser and your disclosure documents and Condo Guide. Within the 10-day cooling off period, you have the right to rescind or cancel the purchase agreement that you have signed for any reason whatsoever. Generally, you should also be refunded, without penalty or charge, all money deposited toward the purchase price, along with any applicable

interest (for information on the interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

Additionally, the Condo Act provides for a further rescission right where there is a material change in the disclosure statement. If there is a material change (i.e. an important change that would have caused a reasonable buyer to no longer want to proceed with the purchase, had that information been included in the disclosure received by the purchaser), then you may be able to rescind or cancel your purchase agreement during an additional 10-day cooling off period. This 10-day cooling off period starts from the later of:

1. the date that the declarant has delivered a revised disclosure statement or a notice to you confirming the material change;
2. the date that you otherwise become aware of the material change; or
3. the date that the Ontario Superior Court of Justice has determined that a material change has occurred.

Occupancy Dates & Delayed Occupancy

A page of the Tarion Addendum within your agreement of purchase and sale contains a Statement of Critical Dates which must be signed by both the condo buyer and the builder. The Statement of Critical Dates sets out when the builder expects to finish the unit and the latest dates for permitted extensions. You should review these dates closely including the firm occupancy date and the outside occupancy date.

Note that condo construction can sometimes be delayed, which means you may not be able to take occupancy of your unit on the anticipated occupancy date set out in the agreement. This is called delayed occupancy.

Your new home warranty coverage includes delayed occupancy coverage in certain circumstances. Details on the delayed occupancy warranty are provided in the Tarion Addendum in your agreement of purchase and sale.

For more information about occupancy dates and delayed occupancy warranty, visit Tarion's webpage.

Condo Cancellations

Pre-construction condo projects can sometimes be cancelled even after you have made a deposit on your purchase. This is because there are many stages in building a condo that may remain to be completed after you have made a deposit. The Tarion Addendum forming part of your purchase agreement must set out any conditions that may result in the condo not proceeding and therefore the potential termination of the purchase agreement. In these cases, it is the vendor who would terminate the agreement.

These conditions may include, but are not limited to:

- Failure to sell enough units,

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- Inability to secure financing for the project, or
- Delays in obtaining the required building or planning approvals.

It is important for you to be aware of the potential conditions when you are thinking of entering the purchase agreement. Buyers may wish to review the Tarion Addendum for identification of early termination conditions applicable to their purchase agreement.

In most cases, if a condo project is cancelled, buyers are entitled to get their deposit back, plus any accrued interest, if applicable. The Condo Act also provides for interest to be paid based on an interest rate calculation (for more information on those interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

For more information on condo cancellations, please click here.

1.3 Buying a Resale Condominium Unit

Purchasing a resale unit involves buying a unit from the current owner rather than from the developer. If you are thinking of buying a resale unit, it is important to do your research on the unit and condo corporation before making any decisions and consult a legal professional. **Before purchasing a unit, you may wish to consider the following:**

- **The status of the reserve fund and age of the building.** A reserve fund is required to ensure that the condo corporation has enough money to pay for major repairs and replacement of the common elements and assets of the condo corporation. It is important to note if the building will require any significant repair, maintenance or updating with its age and the plan for addressing those issues. You should consider the health of the reserve fund and review what is your responsibility to repair and maintain.
- **Common expenses**. This is the amount unit owners pay toward the operation of the condo corporation (e.g., security costs, cleaning costs, etc.) and contributions to the reserve fund. It is important to incorporate common expense fees into your budget when considering purchasing a condo. Common expense fees may change over time depending on the needs of the condo corporation.
- **The units and common elements**. The size, layout, and boundaries of the unit and the common elements generally will not change. You may wish to consider what is your responsibility to repair and maintain. For more information on units and common elements, see section 3.5 of this Condo Guide.
- **Amenities.** Consider that, in general, all the owners must pay for the common elements, regardless of whether you use them or not.
- **Litigation.** It is important to be aware of any litigation against the condo corporation or that the condo corporation is a party to, as owners generally will be responsible for the costs. If the condo corporation cannot cover the costs with the operating fund, a special assessment (an extra one-time charge added to an owner's common expenses) may be required. You can

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learn about on-going litigation by requesting a status certificate from the condo corporation, which is described in the next section.

- **New Home Warranty Information.** You may wish to consider whether the unit is still covered by any remaining new home warranties and protections under the *Ontario New Home Warranties Plan Act*. There are three different warranty periods that cover different types of defects, the longest of which is seven years. The maximum statutory coverage available is $300,000. More information about new home warranties and protections can be found on the Tarion website. To check the status of your home's warranty you may wish to contact Tarion by phone (toll free) 1-877-982-7466 or via e-mail at ismyhomecovered@tarion.com.

Documents to Review

- **The condo corporation's governing documents.** You will be required to abide by your condo corporation's declaration, by-laws, and rules. For more information see section 3.3 of this Condo Guide.
    - The declaration is the foundational document of the condo corporation and includes, among other things, the proportion which each unit owner contributes to common expenses and the repair and maintenance responsibilities of owners vs. the condo corporation. The declaration may also include information about how units and common elements can or cannot be used. The existing or proposed declaration will be included in the disclosure statement you receive from the developer when purchasing a pre-construction/new condo.
    - The by-laws may lay out how the condo corporation governs itself and how the condo corporation operates (e.g., some of the requirements for electing directors).
    - The rules may govern what the owners and occupants can and cannot do in their specific condo community in certain circumstances (e.g., for safety reasons).

- **Status Certificates.** A status certificate is an important document for purchasers of resale condos containing information about a specific completed condo unit and the condo corporation to which it belongs. Any person can request a status certificate for a unit from a condo corporation. A condo corporation can charge up to $100 (including all applicable taxes) for the status certificate. The condo corporation must provide the status certificate within 10 days of receipt of the request and payment for it.

  Status certificates are particularly important for prospective buyers of resale units because they contain important information, such as:

    - A copy of the condo corporation's current declaration, by-laws, and rules.
    - A copy of the budget for the current fiscal year, the last annual audited financial statements and the auditor's report.
    - A statement of the most recent reserve fund study.
    - A statement of the common expenses for the unit and whether the unit is in arrears of payment.
    - If the common expenses for the unit have increased since the current year's budget was prepared, a statement of the increase and the reason.

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- If an assessment has been charged against the unit since the current year's budget was prepared, a statement of the assessment and the reason.
- The address for service for the condo corporation (e.g., the address where the condo corporation receives mail).
- The names and addresses for service for the directors and officers of the condo corporation.
- A certificate of insurance for each of the current insurance policies.
- Information about certain legal issues that may affect the condo corporation (e.g., whether there are outstanding legal judgments against the condo corporation, or if the condo corporation is involved in any ongoing litigation).

You can also access key information on any condo corporation in the province through the CAO's Public Registry. You may wish to consider speaking to a legal and/or real estate professional when considering purchasing a resale condo and before signing any documents.

1.4 Leasing Your Unit

Leasing out a condo unit is an option that many condo owners use at some point during their time as a condo owner, however, there are special considerations that you must keep in mind if you choose to lease out a condo unit. In Ontario, the *Residential Tenancies Act, 2006* outlines the rights and responsibilities of landlords and tenants who rent residential properties. The *Commercial Tenancies Act* applies to leasing commercial properties.

It is the responsibility of the unit owner to ensure that the renter abides by the condo corporation's declaration, by-laws, and rules. Additionally, a unit owner must, within 10 days of entering the lease or the renewal of the lease, provide the renter with these documents. Section 83 (1) of the Condo Act requires that an owner also notify the condo corporation that the unit has been leased within the same timeframe, and provide the renter's name, the unit owner's address and a copy of the lease or renewal or a summary of the lease or renewal. A form is available on the CAO's website which will allow you to easily communicate this information to a condo corporation.

If you plan on leasing your unit you must also be aware of restrictions that the condo corporation's governing documents may place on owners in relation to leases. For example, the condo corporation could have minimum terms for unit leases to prevent the units in the condo corporation from being used as short-term rentals.

Part 2: Moving into a Pre-Construction Condominium Unit

2.1 Interim Occupancy

Interim occupancy occurs in pre-construction condo projects when the developer/builder lets the buyer take occupancy in the unit before the declaration has been registered and the title can be transferred to the buyer. During interim occupancy, you cannot make mortgage payments until the condo corporation is registered.

As your building nears completion, your developer/builder will advise you of your interim occupancy date. On the interim occupancy date, you can live in your unit, but it is important to note that you do not own it yet. Ownership of your unit can only be transferred to you once the condo corporation has been registered.

During the interim occupancy period, you will be required to pay the developer/builder an interim occupancy fee, regardless of whether you move into the unit or not.

The interim occupancy fee cannot be more than the total of:

- The interest (calculated monthly) on the unpaid balance of the purchase price at the prescribed interest rate;
- The estimated monthly municipal taxes for the unit; and,
- The projected common expense fees for the unit.

For additional information regarding interim occupancy, click here.

2.2 Creating the Condominium Corporation

Condominium Registration Process

Condo corporations are created when the developer registers the declaration and description with the Land Registry Office. Some registration requirements vary by the type of condo corporation being proposed (e.g., phased, common elements etc.).

The declaration and description are legal documents that contain fundamental information about the condo corporation and the property. The proposed or existing declaration must be included in the disclosure statement provided to you by your developer. You may wish to review this carefully.

The **declaration** will contain information such as:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The **description** defines the units and the common elements and specifies the boundaries between them. The description will contain information such as:

- A survey showing the boundaries of the property;

- Diagrams showing the shape and dimensions of each unit; and
- Specification of the boundaries of each unit and what is considered part of the common elements.

The Condo Act requires developers to take all reasonable steps to finish construction and register the condo corporation without delay.

More information about the declaration and description as well as your condo corporation's other governing documents can be found in section 3.3 of this Condo Guide, or by clicking here.

Declarant-controlled boards

*Please note that, for ease-of-understanding the Condo Guide uses the term "developer" throughout in place of the term "declarant", which is used in the Condominium Act, 1998. This section will use both as the term "declarant-controlled board" is used often in materials related to pre-construction and new condo projects.

Within ten days after the condo corporation has been registered, **the declarant (who is generally your developer/builder)** is required to appoint at least three individuals to make up the condo corporation's first board of directors. This first board is called the declarant-controlled board. The declarant-controlled board is responsible for carrying out all normal board duties until the declarant ceases to own a majority of the units in the condo corporation. For example, the declarant-controlled board may propose or make by-laws and rules. More information about condo boards and condo board duties can be found in section 3.2 of this Condo Guide.

Once the declarant ceases to own a majority of the units, the declarant-controlled board is required to call a meeting of the owners to elect a new board within 21 days. The meeting must then be held within 21 days of being called, meaning that the meeting must occur within 42 days of the declarant no longer owning a majority of the units. This meeting is called a turn-over meeting.

Turn-over Meetings

The turn-over meeting is an important meeting for the condo corporation because the turn-over meeting must cover two important items:

- The turn-over of important documents from the declarant (i.e. generally your developer or builder) to the condo corporation, and
- The election of the first owner-controlled condo board of directors.

The declarant is responsible for turning over important documents at the turn-over meeting such as:

- The condo corporation's minute book (a minute book is the primary record of a condo corporation's meetings);
- The condo corporation's declaration, by-laws, and rules;
- Agreements already entered into on the condo corporation's behalf;

The declarant must turn over other important information within 30 days of this turn-over meeting, such as:

- All financial records of the condo corporation and of the declarant for the condo corporation from the date of registration onwards;

- A copy of any reserve fund studies conducted to date (if any); and
- A copy of the most recent disclosure statement.

Within 60 days after the turn-over meeting, the declarant must also turn over audited financial statements.

Additionally, at the turn-over meeting, unit owners will vote for new board members. For certain requirements related to a turn-over meeting, see section 43 of the Condo Act.

First-Year Budget

According to section 72 of the Condo Act, the declarant (i.e. generally your developer or builder) is responsible for preparing, and including in the disclosure statement, the first-year budget (also referred to as the budget statement) which covers the one-year period immediately following the registration of the declaration and description. Information included in the first-year budget should include, among other things:

- The projected common expenses for the condo corporation;
- The particulars of the type, frequency, and level of services to be provided;
- The projected costs of the performance audit;
- The projected monthly common expense contribution for each type of unit;
- The projected cost of the first reserve fund study; and
- The costs of preparing the audited financial statements.

Overall, the first-year budget is meant to give you a good idea of the expenses you can expect to pay in addition to the cost of buying your unit.

Additionally, section 75 of the Condo Act requires that the declarant be accountable for the first-year budget. After receiving the audited financial statements for the period covered by the first-year budget, the board has 30 days to compare the actual expenses with the first-year budget prepared by the declarant. If there is a shortfall (i.e., there are less funds projected based on the first-year budget than the actual first year expenses), the declarant may be responsible for the shortfall.

2.3 Tarion and the Ontario New Home Warranties Plan Act

What is Tarion?

Tarion is an independent not-for-profit corporation with responsibility for administering the *Ontario New Home Warranties Plan Act*, including warranties and protections claims. Until early 2021, Tarion also serves the function of licensing new home builders and vendors.

For more information on Tarion, please visit their website by clicking here.

What is The Home Construction Regulatory Authority?

The Home Construction Regulatory Authority (HCRA) is an independent, not-for-profit corporation that is preparing to potentially be designated by the Ontario government as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If the HCRA is

designated, Tarion would cease to regulate builders and vendors, subject to potential exceptions during transition. Tarion would remain responsible for warranty administration. At this time, it is expected that the future regulatory authority would be operational in early 2021.

For more information on the HCRA, please visit their website by clicking here.

New Home Warranties Plan Act and Coverage

Tarion's legal responsibilities and mandate come from the *Ontario New Home Warranties Plan Act*. In Ontario, all new residential condos are required to be enrolled in the Ontario new home warranty and protection program, administered by Tarion. If you purchase a new condo and there are warrantable defects (e.g., construction issues, unfinished work, etc.), you can report these to Tarion and your builder. If your builder does not fix the defects, Tarion may provide warranty assistance, if the item is warrantable. Be sure to visit the Tarion website for a breakdown of new home warranty and protection coverage and more information.

For more information about new home warranty coverage click here.

Information for purchasers of units in residential condominium conversions is available here.

The common elements of most condos are also covered by Tarion's warranties. If a common element requires warranty coverage, the condo corporation will address the issue (rather than any one individual owner). Section 44 of the Condo Act requires that between the six- and ten-month mark following the registration of the declaration, the board must appoint an engineer or architect to conduct a performance audit. This audit must be submitted to Tarion which will allow the corporation to make claims regarding issues with the common elements. If the corporation does not file in time, it will be impossible to make claims under the Tarion warranty program. It is common that the condo board directors appoint an individual to manage this process on behalf of the board.

To access more information on the common elements warranty process, please click here.

Pre-Delivery Inspection

A very important step for identifying potential issues or deficiencies is the pre-delivery inspection (PDI). A PDI is your chance to raise issues you notice with your new condo, such as incomplete construction, a damaged area, or an element of poor workmanship of the unit.

During the inspection, the builder of the condo will take you to inspect the new unit and may demonstrate the internal systems (such as air conditioning) of your unit. If you identify a defect during your PDI, your builder should note it on the PDI Form to establish that it existed prior to closing and thus was something not caused by you. It is your builder's responsibility to list these items and provide you with a copy of the completed PDI Form.

The PDI form is an important document, as it will be the official record of the state of your home before you move in, so keep your copy in a safe place. However, the PDI form is not an official warranty form and any items that are not corrected by the time you move in need to be listed on a 30-Day or Year-End Form.

Builder Registration/Licensing

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Under the *Ontario New Home Warranties Plan Act*, all new home builders and vendors must be registered with Tarion and enroll their homes in the Ontario new home warranty and protection program.

In early 2021, the Home Construction Regulatory Authority (HCRA) is expected to be designated as the new regulator for new home builders and vendors. As the regulator of new home builders and vendors upon designation, the HCRA would be responsible for receiving and responding to any licensing related inquiries or complaints regarding a builder or vendor. Tarion would remain responsible for any warranty-related inquiries or complaints.

Until early 2021, Tarion will maintain an Ontario Builder Directory of all new home builders and vendors. Buyers of new homes are encouraged to check the Ontario Builder Directory to ensure their builder or vendor is registered with Tarion.

In addition, the Ontario Builder Directory includes information about condominium projects retroactive to January 1, 2018, including cancelled condominium projects and the status of each condominium project (i.e., completed, in progress or cancelled).

If the HCRA is designated by the Ontario government as the new regulator for new home builders and vendors, the HCRA would become responsible for the Ontario Builder Directory once it is operational in early 2021.

Part 3: Condominium Living

3.1 Introduction to Condominium Living

Your Unit and Common Elements

In a condo corporation, as an owner, you typically own your individual unit and collectively share in the ownership of and expenses for the common elements.

Unlike units, common elements may not be for the exclusive use of a particular unit owner. Common elements may include parking garages, elevators, lobbies, and much more. They may also include structural elements like the walls between the units, doors, plumbing and electrical work.

Exclusive Use Common Elements

Certain common elements may be for the exclusive use of a particular condo owner. These are called exclusive-use common elements. An example of an exclusive-use common element may be the balcony of a unit. Although a condo owner might think of a balcony as part of their unit, it could be an exclusive-use common element.

Every condo corporation is unique in the breakdown between units and common elements. If you are unsure about what constitutes a common element in your condo corporation, you can refer to your condo declaration.

Rights and Obligations of Owners

Condo owners in Ontario have rights and obligations that you should be aware of before purchasing a unit:

Rights

- Attending and voting at owners' meetings;
- Seeking election to the condo board, if qualified under the Condo Act;
- Reviewing certain records of the condo corporation, such as certain financial statements and meeting minutes;
- Requisitioning an owners' meeting in certain circumstances;
- Using the common elements and amenities of the condo corporation in accordance with the Condo Act and the condo corporation's declaration, by-laws, and rules; and
- Requesting that an item be added to an owners' meeting agenda.

Obligations

- Complying with the Condo Act and the condo corporation's declaration, by-laws, and rules;
- Repairing and maintaining your unit in accordance with and subject to the Condo Act and the condo corporation's declaration and by-laws;
- Paying your common expense fees on time;
- Notifying the condo corporation if your unit is leased; and
- Attending and voting at certain meetings.

Click here for more information on condo ownership.

3.2 Condominium Governance

Board of Directors and Board Responsibilities

The board of directors of a condo corporation that is turned over is an elected group of people that is responsible for governing the affairs of the condo corporation. The board of directors will ideally play a critical role in supporting a positive, healthy condo community and ensure that the condo corporation and its assets are well managed and maintained.

The board has certain responsibilities such as:

- Setting the condo corporation's annual budget;
- Making most decisions about how the condo corporation will spend its money, including selecting contractors or service providers your condo corporation will work with;
- Hiring and overseeing the work of a condo manager (should your condo corporation decide to get a condo manager);
- Ensuring required maintenance and repairs are carried out;
- Hiring specialists, such as engineers, to conduct reserve fund studies;
- Proposing changes to the condo corporation's rules and/or by-laws;
- Giving various notices to owners; and
- Making decisions related to the condo corporation's finances.

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A condo's board is usually made up of owners in the condo corporation (but can include non-owners depending on the provisions of the condo corporation's by-laws). Directors are elected by the owners and serve for defined terms. Directors must seek re-election when their term expires if they want to remain on the board.

Duties of Directors and Required Disclosures

Board directors are responsible under section 37 (1) of the Condo Act to exercise their power or carry out their duties for the condo corporation with a standard of care. This means directors have a duty under the Condo Act to:

- Act honestly and in good faith; and
- Exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

A condo corporation may also have a code of ethics outlined in a by-law. A code of ethics will govern matters such as conflicts of interest, confidentiality, and standards of behaviour at board meetings.

Individuals looking to become directors (i.e. candidates) must meet disclosure requirements listed under section 11.6 of Ontario Regulation 48/01 as well as any such requirements listed in the by-laws of the condo corporation. To qualify as a candidate an individual must disclose, among other things:

- Whether the candidate (or their spouse, child or parent) is party to a legal proceeding in which the condo is also a party;
- Whether the candidate has, directly or indirectly, an interest in a contract or transaction that the condo corporation is a party to;
- If the candidate is a unit owner with common expense fees in arrears for 60 days or more; and
- Whether the candidate has been convicted of an offence under the Condo Act or under the regulations within the preceding 10 years, a statement of that fact and a brief general description of the offence.

A director is immediately disqualified if they do not meet certain disclosure obligations. In addition, directors may be disqualified if they meet any of the criteria listed in section 29(2) of the Condo Act (e.g., they have the status of bankrupt).

More information regarding director disclosure obligations can be found on the CAO website here.

For a full list of disclosure obligations, please see 11.10 of Ontario Regulation 48/01.

Election Process

Aside from the developer-appointed directors, and instances where an individual is appointed to the board by the existing directors, directors are elected by the owners at a meeting, such as a turn-over meeting, an annual general meeting, a requisitioned meeting, or a meeting called specifically for elections due to loss of quorum. Directors usually serve for three-year terms, but this period may be shorter, depending on a condo corporation's by-laws. Once their term is over, they must seek re-election to continue to act as a board member.

Requirements for Being a Director

Before a candidate can become a director, there are a few requirements that must be met. The candidate must:

- Be an individual;
- Be at least 18 years old;
- Not have a status of bankrupt;
- Not have been found incapable of managing property;
- Not have been found incapable by a court; and
- Meet the required disclosure obligations, as mentioned above**.**

Once an individual becomes a director, they can be immediately disqualified from their position if, for example:

- They are bankrupt;
- They have been found incapable of managing property or found incapable by a court;
- They have a certificate of lien registered against their unit that has not been discharged within 90 days;
- They failed to complete the mandatory director training within six months; or
- They failed to comply with mandatory disclosure obligations.

Note that different condo corporations may have additional requirements for directors. You may wish to check your condo corporation's by-laws for more information.

Director Training Requirements

All directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program provided by the Condominium Authority of Ontario (CAO) within six months of their appointment, election, or re-election, and at least once every seven years. Director training is provided for free and is easily accessible online on the CAO website.

Directors who fail to complete the training within the six-month timeframe are immediately disqualified from their board and cease to be a director.

Although director training is mandatory for directors, director training is not just for condo directors. It is available to any individual and contains plenty of useful information regarding condo living and condo governance.

If you wish to know more about director training, please click here for more information.

Meetings and Quorum

Condo meetings can be divided into two types: owners' meetings and board meetings. The Condo Act requires that a minimum number of participants be present at meetings, which is called "quorum". Without quorum, voting cannot take place, however discussion on relevant business is still permitted. Note that a corporation may also be able to make by-laws with respect to meetings, including with respect to quorum and voting. For owners' meetings, owners can either attend in person or by proxy. For more information on proxies, see **Voting by Proxy and Voting Method** below.

Owners' meetings are meetings in which all condo owners are invited to attend. The following are the most common types of owners' meetings:

- **Annual General Meetings** (AGM) are annual meetings where the board has the chance to report to owners on matters such as the financial health of the condo corporation. The AGM

also gives owners the opportunity to discuss matters that are relevant to the business of the condo corporation. The following items may be on the agenda at an AGM:

- Approval of the minutes of the previous AGM;
- Review of year-end audited financial reports;
- Selection of the condo corporation's auditor for the next fiscal year;
- Report of the board of directors regarding matters like past performance;
- Major upcoming projects (e.g., repairs or renovations), potential by-law changes and ongoing issues; and
- Election of directors.

The standard quorum for an AGM is the owners of 25% of the units. If the quorum is not reached on the first two attempts to hold the AGM, the quorum is reduced to 15% on the third and on any subsequent attempts unless the by-laws specify otherwise.

- **Owner-Requisitioned Meetings** are meetings that the board is required to call at the request of the owners of the condo corporation. All owners can attend. Some examples of why owner-requisitioned meetings may be called include:
  - Voting on a proposed rule;
  - Discussion of an emerging issue (e.g., the behaviour of owners, residents, or guests); or
  - The removal and replacement of a director before the expiry of that director's term.

  Information related to requisitioning a meeting of owners can be found under section 46 of the Condo Act. Other sections also may be relevant.

  More information on requisitioning a meeting can be found here.

- **Board Meetings** are meetings attended by the condo board to manage the affairs of the condo corporation. The only people who are entitled to attend board meetings are the directors, however, condo boards may invite individuals to attend board meetings as guests. A condo's board of directors can only conduct condo related business at a board meeting. Before any condo business can be conducted, the board must make sure there is a quorum of directors attending the board meeting. For board meetings, quorum is a majority of the total number of positions on the board. For example, if there are 3 positions on the board, quorum would be 2 board members in attendance at the board meeting.

Voting by Proxy and Voting Method

At owners' meetings, votes may be held regarding condo business.

Unless the Condo Act provides otherwise, at a meeting, votes may be cast by:

- A show of hands, personally or by proxy
- A recorded vote that is:
  - Marked on a ballot cast personally or by a proxy;
  - Marked on an instrument appointing a proxy; or
  - Indicated by telephonic or electronic means if the by-laws so permit.

If you are an owner who cannot attend a meeting but still want to participate in decision-making, you can enable somebody who will attend the meeting to vote for you. This individual is called a proxy (who need not be an owner in your condo corporation). You can appoint a proxy by completing a legal document called a proxy form and giving the form to the proxy. You can create only one proxy per unit. If you co-own your unit, the proxy represents all owners of the unit.

A form is available on the CAO website which gives instructions on how to use a proxy, and how a proxy can vote in a meeting.

Notices

A condo corporation must provide various notices to owners to make owners aware of upcoming owners meetings. There are a variety of notices required under the Condo Act, such as:

- **Preliminary Notice of Meeting:** The Preliminary Notice of Meeting must be delivered to owners at least 20 days before a Notice of Meeting. The Preliminary Notice will, among other things, let owners know that a Notice of Meeting will be sent, state the purpose of the meeting, and, if applicable, request that individuals interested in being candidates for director positions notify the board in writing.

  More information about a Preliminary Notice of Meeting can be found by clicking here.

- **Notice of Meeting:** The Notice of Meeting must be delivered to owners in writing at least 15 days prior to the day of the meeting. A Notice of Meeting of owners will include the date, time, and place of the meeting. It must also identify the business to be discussed, among other things. No vote can take place on an item, other than routine procedure, that was not disclosed in the Notice of the Meeting.
    - If an owner wishes to receive notices electronically, they must provide an Agreement to Receive Notices Electronically form, and the condo corporation must have a statement of this method of receiving notices in the record of owners and mortgagees (unless the Condo Act provides otherwise).

  More information about the Notice of Meeting can be found on the CAO website here.

Information Certificates

Information Certificates help ensure that condo owners receive important information about the state of the condo corporation throughout the year. Information certificates can be broken down into three types:

- **Periodic Information Certificate (PIC)**. Sent out twice per fiscal year to all owners (within 60 days of the end of the first quarter and 60 days of the end of the third quarter). Includes key information about the condo's board, finances, insurance, reserve fund, legal proceedings, and other matters.
- **Information Certificate Update (ICU)**. Sent to owners if there are certain key changes before the next scheduled PIC (such as changes in the directors or officers of the condo corporation). To be distributed within 30 days of the change.

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- **New Owner Information Certificate (NOIC)**. Sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation. A NOIC covers the most recent PIC and any subsequent ICUs.

Condo corporations may be able to pass by-laws related to PICs and ICUs.

More information on Information Certificates can be found on the CAO website here.

Records Requirements and Process to Request or Examine Records

As a condo owner, you have the right to access certain records regarding how the condo corporation is managed. It is the condo board's duty to ensure that adequate records are kept and that they are retained for the legally required amount of time. If an owner wants to access certain records, they must use a Request for Records form. In their request, they can specify whether they wish to review records or request copies of records and they can indicate whether they would like electronic or paper copies.

As an owner, you may have the right to access:

- Your condo corporation's declaration, by-laws, and rules;
- The financial records of your condo corporation;
- The minute book containing the minutes of owners' meetings and the minutes of board meetings;
- A copy of the returns or notices of change that the condo corporation has filed with the CAO;
- All lists, items, records, and other documents from your condo corporation's turn-over meeting;
- A list of the names of the owners of each unit in the condo corporation and their address for service;
- All reserve fund studies and all plans to fund the reserve fund;
- All agreements entered by or on behalf of the condo corporation;
- All instruments appointing a proxy or ballots for a meeting of owners that are submitted at the meeting; and
- Other records as specified under the Condo Act, including in its regulations, or your condo corporation's by-laws.

More information about records can be found on the CAO website here.

3.3 Condominium Corporation Governing Documents

In addition to complying with all applicable requirements under the Condo Act, all owners, residents, employees of the condo corporation, guests and others must comply with the condo corporation's governing documents. It is very important that you read and understand a condo corporation's governing documents before purchasing a unit. If you are unfamiliar with the requirements set out in

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your governing documents, you may unknowingly cause issues, requiring the condo corporation to respond to enforce the provisions found in these documents. The governing documents include:

1. **The Declaration;**
2. **By-laws; and**
3. **Rules.**

The governing documents must be consistent with the Condo Act.

1. The **Declaration** is one of the foundational documents of the condo corporation. The declaration is often considered the constitution of the condo corporation and contains many important provisions. It will include:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The declaration may be changed with the consent of at least 80% or 90% of voting units depending on what the change is.

2. **By-Laws** describe how the condo corporation is to govern itself. The by-laws can be considered the administrative guide for the condo corporation. A condo corporation's by-laws often deal with a wide range of matters. For example, by-laws may govern:

- How directors are elected;
- How common expenses are collected; and
- When/how the condo corporation can borrow money.

By-laws must be both reasonable and consistent with the declaration, as well as the Condo Act. By-laws must be approved by the owners of a majority of the units, except where the Condo Act provides otherwise, and registered with the Land Registry Office.

3. **Rules** regulate the use of the units or common elements or assets in a condo corporation. The condo rules will dictate what individuals on the condo property can and cannot do. Rules must be reasonable and consistent with the declaration and by-laws, in addition to the Condo Act. Rules must either: promote the safety, security or welfare of the owners, property, or assets of the condo corporation; or prevent unreasonable interference with the use and enjoyment of units, common elements or assets. Examples may include:

- Restricting smoking, vaping and/or the growing of cannabis;
- Restricting short-term rentals; or
- Limiting the number or size of pets allowed in the building.

Upon making, amending or repealing a rule, the board shall give a notice of it to the owners that includes:

- A copy of the rule;
- A statement of the date that the board proposed the rule will become effective;
- A statement which says that the owners have a right to requisition a meeting; and
- A copy of sections 46 and 58 of the Condo Act.

Owners who disagree with the rule may be able to requisition an owners' meeting regarding the rule and then have a vote during the meeting to prevent the changes to a rule(s) from being passed. If the owners do not requisition a meeting, the rule becomes effective the day after 30 days have passed since the board gave the owners notice of the rule. For more information on owner requisitioned meetings, please see section 3.2 of this Condo Guide.

More information about the declaration, by-laws, and rules can be found on the CAO website here.

3.4 Condominium Finances

Reserve Funds

A **reserve fund** is a fund that condo corporations use for major repair or replacement of common elements and assets as needed. The Condo Act requires that all condo corporations have a reserve fund. Adequate reserve funds and proper use of those funds are critical to maintaining the structural integrity of the condo corporation’s property. Reserve funds may only be used for major repairs and replacements of the common elements and assets of the condo corporation. Condo corporations must collect contributions to the reserve fund from owners as part of their common expense fees. Condo corporations must complete reserve fund studies. Reserve fund studies are completed by certain specialists (e.g., engineers) and determine how much money needs to be in the fund to be able to pay for anticipated major repairs/replacements that will be needed in the future. Generally, after the first reserve fund study, reserve fund studies are completed/updated every three years.

More information about reserve funds and reserve fund studies can be found on the CAO website.

Common Expenses

Common expenses, which are typically described in the Condo Guide as “common expense fees” (also commonly known as condo fees or maintenance fees) are collected by the condo corporation under the Condo Act. In addition to including a contribution to the reserve fund as described above, common expense fees may be used to fund:

- The cost of maintenance to the common elements (e.g., standard elevator repairs, cleaning).
- The cost of your condo manager or management service provider.
- The condo corporation’s insurance policies.
- Services, such as garbage or snow removal, landscaping, security etc.

As an owner, you are required under section 84 (1) the Condo Act to pay your share of common expense fees attributed to your unit. As per section 84 (3) of the Condo Act, you are obligated to pay your common expense fees even if:

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- You have waived or abandoned your right to use the common element(s);
- You have made a claim against the condo corporation; or
- The condo corporation's declaration, by-laws or rules restrict you from using the common element(s).

How are Common Expense Fees Calculated?

Condo boards make a budget every year which outlines various expenses for the fiscal year that are to be paid by the owners. The condo corporation's declaration will state the portion of the common expenses each owner is required to contribute, expressed as a percentage. The percentage may, but need not, relate to the size of your unit. The amount of common expenses you are required to contribute may fluctuate (e.g., increase) for various reasons (e.g., as the needs of the condo corporation change).

Section 56 (1) of the Condo Act also permits condo corporations to pass by-laws governing the assessment and collection of common expense fees.

Liens

If you as an owner default on your obligation to pay common expense fees, your condo corporation automatically has a lien on your unit. The lien will cover the unpaid amount owing as well as all interest, and all reasonable legal costs and expenses incurred by the condo corporation in its attempt to collect.

The condo corporation has three months from when the default occurred to register a certificate of lien, otherwise the lien will expire after three months of the default. At least ten days' notice is required to be provided to owners before the certificate of lien can be registered on title. Condo liens have priority over every other liability, including mortgages, subject to some exceptions, and may be enforced in the same manner as a mortgage.

Special Assessments

As described above, your condo corporation will create a budget for every fiscal year. Should there be a budget shortfall (i.e., where expenses exceed revenues), your condo corporation may levy a special assessment to cover expenses. A special assessment is an extra one-time charge added to your common expense fees.

Your board may need to levy a special assessment for unforeseen major expenses such as repairs related to flooding, costs related to legal proceedings, etc. Your condo corporation's by-laws may include provisions about special assessments.

Under section 84 of the Condo Act, you are required to pay your unit's share of the common expense fees, which may include special assessment fees. Your portion is calculated using the same percentage used to calculate your regular common expense fees.

More information about special assessments can be found on the CAO website here.

Chargebacks

A chargeback is an addition to an owner's common expense fees to reimburse the condo corporation for a cost it incurred. This is to ensure that certain expenses or costs incurred are not levied to all

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owners, particularly where they are not all responsible for the circumstances leading to the expense or cost.

Some chargebacks are specifically authorized by the Condo Act. For example, section 92 (4) of the Condo Act allows condo corporations to add repair costs to a unit's common expenses fees, where repairs were completed on an owner's behalf after they failed to complete them within a reasonable time. Condo corporations may also have provisions within their declaration that require owners to indemnify the condo corporation for certain costs, called an indemnification clause.

If an owner does not pay the chargeback, a lien will automatically be placed on the defaulting unit, just as would occur if the owner does not pay their regular common expenses on time. If the condo corporation registers a certificate of lien and the owner does not pay the lien in full (this is known as discharging the lien), the condo corporation has the ability to attempt to have the unit sold to cover the costs.

Condo Insurance

Under the Condo Act, condo corporations are required to obtain and maintain both property insurance and liability insurance.

- **Liability Insurance:** Under section 102 the Condo Act, condo corporations are required to obtain and maintain insurance against the liability resulting from a breach of duty as the occupier of the condo corporation's common elements or certain land as well as insurance against liability arising from the ownership and use of boilers, machinery, pressure vessels and motor vehicles.
- **Property Insurance:** Section 99 (1) of the Condo Act requires condo corporations to obtain and maintain insurance for damage to the units and common elements that is caused by certain major perils, including fire, smoke, lightning, windstorm, hail, or any other peril specified in the condo corporation's declaration or by-laws.

Standard Unit

A condo corporation's obligation to insure the units does not cover "improvements" made to units. Section 99 of the Condo Act states a condo corporation's obligation to insure against damage to units from major or other perils only includes what is called a "standard unit".

What constitutes a standard unit in your condo corporation is important as it not only outlines responsibility for property insurance coverage but also partly determines what the condo corporation or the condo owner is responsible for when dealing with repairs after damage.

For more information on where to find your condo corporation's definition of a standard unit, see section 3.5 of this Condo Guide - Living in Units and Using Common Elements.

Deductibles

According to section 105 (1) of the Condo Act, if an insurance policy obtained by the condo corporation has a deductible clause that limits the amount payable by the insurer, the condo corporation is responsible for paying the portion of a loss that is excluded from coverage, and that amount must be included in the common expenses.

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A single owner may be responsible for paying a deductible if a claim to the condo corporation's insurer arose due to the owner's (among others) action or inaction. In this case, the lesser of the deductible limit or the actual cost of the repairs must be charged back to that owner's unit. For more information on chargebacks, please see section 3.4 of this Condo Guide.

Your condo corporation may also have an insurance deductible by-law that would extend the circumstances in which an owner would be responsible for paying for a property insurance deductible. Common examples of extended circumstances could include:

- Where the owner, occupant, or guest of the unit, through an act or negligence causes the insured damage; and/or
- Where the insured damage is caused by accident (i.e., where no one is at fault).

3.5 Living in Units and Using Common Elements

Units vs. the Common Elements

For a description of what a common element is and what an exclusive use common element is, please refer to section 3.1 of this Condo Guide. As noted in section 3.1, common elements are elements which may not be for the exclusive use of a particular unit owner.

In a condo corporation, typically owners own their individual unit(s) and collectively share ownership of and expenses for the common elements (e.g. roof, hallways, elevators, pool).

What is considered part of a "unit" and what is considered part of the "common elements" will be outlined in the condo corporation's declaration and description. Schedule C of the declaration contains this information for most types of condo corporations, and more, as explained below. In addition, the Condo Act includes information about what is a unit vs. a common element. The term "common elements" generally means all the property except the units.

Understanding the breakdown between a unit and the common elements is important when considering repair and maintenance obligations, condo insurance, and making changes to your unit.

Repair and Maintenance Obligations

Section 89 (2) of the Condo Act requires that, subject to the Condo Act and a condo corporation's declaration:

- Condo corporations are responsible for repairing damage to both the common elements and units. This obligation to repair does not include any improvements made to units.

- Unit owners are responsible for maintaining their units (i.e., upkeep and repairing after normal wear and tear) and condo corporations are responsible for maintaining the common elements (e.g., parking, gardens, hallways, elevators, amenities, etc.).

The following documents, together with the Condo Act, are notable when it comes to figuring out repair and maintenance responsibilities:

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1. Schedule C. Schedule C (within your condo corporation's declaration) typically will outline unit boundaries and therefore clarify repair and maintenance responsibilities, especially in unclear areas (e.g., plumbing, electrical, areas behind drywall, etc.).

2. Standard unit by-law. A standard unit by-law or, if none, a schedule provided by the developer, will detail which components of a unit are the "standard unit" and therefore the responsibility of the condo corporation to repair.

Also, section 91 of the Condo Act allows condo corporations to alter these repair and maintenance obligations in their declaration. This means that when determining who is responsible for repairs or maintenance it is necessary to review your condo corporation's declaration. Note, there are some different repair and maintenance requirements under the Condo Act for different types of condo corporations (e.g., vacant land condo corporations).

Making Changes to Your Unit

A condo corporation's declaration, by-laws, and rules may contain rules about making modifications to your unit or common elements (such as requiring notice to the board, restrictions on design, décor, materials to be used, restriction on days or times when renovations are permitted, etc.). You may wish to review these requirements, as well as applicable requirements under the Condo Act, before considering changes to your unit.

Modifications to the Common Elements by Owners

Changes to the common elements (e.g., exterior walls) by owners generally will require board approval. Section 98 of the Condo Act states that an agreement (often referred to as a section 98 agreement) must be entered into between the condo corporation and the owner specifying, for example:

- The allocation of cost of the proposed modification between the owner and the condo corporation; and
- The respective duties and responsibilities of the owner and condo corporation for the costs of repairs after damage, maintenance, and insurance of the modification.

The board may approve a proposed modification, and there will be no requirement to provide notice to other owners if the modification is to an exclusive use common element, and the board is satisfied that the modification will not:

- Have an adverse effect on units owned by other owners;
- Give rise to any expense to the corporation;
- Negatively impact the appearance of buildings on the property;
- Affect the structural integrity of buildings; or
- Contravene the declaration or any prescribed requirements.

Right of Entry

Section 19 of the Condo Act provides condo corporations, or a person authorized by the condo corporation, the right to enter units to perform the objects and duties or to exercise the powers of the condo corporation. They can only do so after providing reasonable notice to the owner of the unit.

Examples of when condo corporations may typically seek to enter units include:

- To perform maintenance and repairs to the common elements;
- To perform routine inspections on things such as smoke detectors; and
- To ensure compliance with the Condo Act and the condo corporation's declaration, by-laws, and rules.

Your condo corporation will also have the right to enter units in the case of an emergency, such as a fire or water leak, without any reasonable notice.

3.6 Condominium Management

Condo corporations, while not required to, may decide to hire a condo manager or a condo management company to oversee the condo corporation's day-to-day operations. Condo managers act on behalf of the condo corporation and are directed by the board of directors. A condo manager's range of responsibilities may include:

- Creating and maintaining records for the condo corporation;
- Responding to owner complaints;
- Coordinating the maintenance and repair of the property;
- Hiring and monitoring the performance of service providers;
- Preparing draft annual budgets and monitoring the reserve fund;
- Issuing meeting notices; and
- Organizing board meetings and overseeing administration of all owners' meetings.

Under section 17.0.1 of the Condo Act, condo corporations cannot enter into agreements with a condo manager or management company unless they are licensed through the Condominium Management Authority of Ontario (CMRAO). For more information about the CMRAO, see section 4.2 of this Condo Guide.

For more information on the CMRAO, you can visit their website by clicking here.

Part 4: Resources for Issues Resolution

4.1 Raising Issues with your Condominium Board

Occasionally, issues can arise with condo living. There are several options that may be available to condo owners who have concerns with their board of directors or condo corporation generally. Before raising any issues, you may wish to consult the governing documents of your condo corporation as

some condo corporations may have specific protocols for raising issues. When raising issues, you may wish to consider the following:

1. **Writing a Letter to the Board**

   You may wish to contact your board to request formal consideration of your concern if you are experiencing a condo-related issue that you wish to raise with the board. Within the letter or email it is helpful to provide as much detail as possible about the issue.

   The CAO also has email and letter templates for writing to your board, available on the CAO website by clicking here.

2. **Requisitioning a Meeting of Owners**

   Owners may be able to requisition a meeting to discuss certain issues. For example, owners may be able to requisition a meeting to discuss:

   - The removal and replacement of a director before the expiry of that director's term;
   - A proposed new rule or change or repeal of an existing rule; and
   - The discussion of any emerging issue (e.g., a board decision).

   For more information on meetings in general, see section 3.2 of this Condo Guide.

   For more information regarding the requisitioning of meetings, please click here.

3. **Raising Issues at an AGM**

   An AGM provides another opportunity to bring up issues regarding the condo corporation and condo business to the board and other owners. Owners may be able to raise their concerns at their AGM. Section 45(3) of the Condo Act states that owners may raise any matters for discussion in the AGM, as long as they are relevant to the affairs and business of the condo corporation.

4. **Seeking Legal Advice**

   If a particular issue cannot be resolved through any of the above options, you may wish to consider seeking legal advice.

   If you require legal advice, you may wish to contact a lawyer or paralegal familiar with condo law. The names of lawyers or paralegals may be obtained from the Law Society of Ontario Referral Service. They may provide a free consultation of up to 30 minutes.

Additionally, you may wish to consider reviewing the CAO's Issues and Solutions page for additional information on common issues associated condo living.

4.2 The Condominium Authority of Ontario

The CAO is a not-for-profit organization designated by the Ontario government to administer delegated provisions of the Condo Act and its regulations. The CAO's role is to support condo living by providing services and resources for condo communities and the general public. These include:

- Offering information about condo living to condo owners, residents, and other members of the public;
- Administering mandatory training for condo directors;
- Hosting and providing access to several mandatory and optional condo forms;
- Maintaining the CAO's Public Registry, which contains and displays information filed with the CAO through returns and notices of change; and
- Overseeing an online dispute resolution forum - the Condominium Authority Tribunal (CAT).

The CAT is an online tribunal that is authorized to resolve certain disputes primarily between condo corporations and owners. Part I.2 of the Condo Act and related regulations, including Ontario Regulation 179/17, set out certain provisions related to the CAT's jurisdiction.

Currently, the CAT resolves certain disputes relating to:

- the retention of and access to condo records.
- condo corporation governing document provisions about:
    - vehicles;
    - pets or other animals;
    - parking and storage; and
    - indemnification or compensation of the condo corporation, owner or mortgagee related to the above-noted governing document disputes.

For more regarding the CAT, its function, and its jurisdiction, click here.

4.3 Condominium Management Regulatory Authority of Ontario

The Condominium Management Regulatory Authority of Ontario (CMRAO) is a not-for-profit corporation that is responsible for administering provisions under the Condominium Management Services Act, 2015 (CMSA), including by licensing condo managers and management providers. The CMRAO:

- Ensures that condo managers and condo management companies are licensed, meet education standards, and comply with a code of ethics, among other requirements.
- Maintains a list of licensed condo managers and condo management providers.
- Promotes awareness of the condo management regulatory system and enforces compliance with the CMSA.

Handling Complaints

If you think your condo's manager or management service provider is in violation of the CMSA you can submit a complaint to the CMRAO. If the registrar of the CMRAO receives a complaint about a licensee, the registrar may do any of the following, as appropriate:

- Attempt to mediate or resolve the complaint;

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- Give the licensee a written warning;
- Require the taking of further educational courses;
- Refer the matter, in whole or in part, to the discipline committee;
- Propose to suspend, revoke, or add conditions to a licence;
- Propose to refuse to renew a licence; or,
- Take further action as is appropriate in accordance with the CMSA.

More information about making a complaint can be found on the CMRAO's website here.

4.4 Compliance and Enforcement Mechanisms

Responsibility to Comply with the Condo Act

Section 119 of the Condo Act provides that the condo corporation, owners, directors, officers, employees, mortgagees, developer and occupants are all required to comply with the Condo Act as well as the condo corporation's declaration, by-laws, and rules.

Section 17 (3) of the Condo Act provides that condo corporations have a duty to take all reasonable steps to ensure that owners, occupiers, lessees, agents and employees of a condo corporation comply with the Condo Act, the declaration, the by-laws and the rules. Additionally, section 119 (2) of the Condo Act provides that owners are obliged to take all reasonable steps to ensure occupants and visitors of their unit also comply with the Condo Act, the declaration, the by-laws, and the rules.

Mediation, Arbitration, and Compliance Orders

Under section 132 of the Condo Act, certain disputes must be resolved through mediation or arbitration. Condo corporations may also have provisions in their declaration or by-laws establishing a procedure for resolving certain disputes and compliance.

To resolve certain disputes between an owner and the condo corporation, the first step would be mediation, and then arbitration, if required.

As per section 134 of the Condo Act, certain compliance disputes may be resolved through an application to the Superior Court of Justice, including if the mediation and arbitration process has failed to solve the issue. Condo corporations, owners, occupants of a proposed unit, and developers are all entitled to apply as set out in that section; however, it is recommended to talk to a lawyer or paralegal if considering any legal action.

Please note that sections 132 and 134 of the Condo Act do not apply to disputes that may be brought to the CAT.

Offences Under the Condo Act

Sections 136.1 and 137 of the Condo Act set out provincial offences under the Condo Act that the Ministry of Government and Consumer Services (Ministry) administers. If you have information about conduct you believe may constitute an offence under section 136.1 or section 137 of the Condo Act, you may provide that information to the Ministry.

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You can file the information by clicking here.

The Ministry will review the information and determine if compliance or enforcement action would be appropriate. Please note that not every complaint will lead to compliance or enforcement action.

Section 136.2 of the Condo Act sets out provincial offences under the Condo Act which are administered by the CAO. If you have information about conduct that you believe may constitute an offence under section 136.2 of the Condo Act, you may provide that information to the CAO.

Part 5: Glossary of Key Terms

Addendum: The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to.

Agreement of Purchase and Sale: The Agreement of Purchase and Sale contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations as seller (as applicable), the unit, and the condo construction project.

Annual General Meeting: Annual owners' meeting where the board of directors presents to the owners on the financial health of the condo corporation and other business.

Board Meetings: Meetings attended by board members to manage the affairs of the condo corporation.

By-laws: By-laws are part of the condo corporation governing documents. By-laws govern how a condo corporation operates. By-laws can cover topics such as: the size of your condo board, the process for electing directors, and the format of board meetings. By-laws must be consistent with the declaration and the Condo Act as well as reasonable.

Chargebacks: Charges that are added to the amount of a unit owner's common expense fees. This may happen, for example, due to a condo corporation handling an owner's maintenance obligations or where a condo corporation incurs certain court costs in a legal proceeding against an owner to enforce compliance.

Common Elements: All condo property except units.

Common Elements Condominium: A condo corporation that creates common elements but does not divide the land into units. Owners purchase land tied to part of a common element condo corporation in which they also have an ownership interest (such as a shared road, ski hill or golf course) and pay common expense fees.

Common Expense Fees: The amount of money that an owner contributes in the proportions specified in the declaration. These go towards paying expenses (operating and reserve), including for, among other things, the maintenance and upkeep of the condo corporation's common elements.

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Condo Corporation: A legal entity that comes into existence when a declaration and description are registered with the Land Registry Office. All units and common elements are part of a condominium corporation, and condominium corporations are governed by boards of directors on behalf of owners.

Condo Manager: An individual licensed by the Condominium Management Regulatory Authority of Ontario who is hired by a condo corporation to oversee a condo corporation's day-to-day operations. Condo managers are accountable to the board of directors of the condo corporation.

Condominium Act, 1998 (Condo Act): The Condo Act provides a legal framework that enables condo owners and their elected board of directors to make decisions about the governance of a condo corporation.

Condominium Authority Tribunal (CAT): an online tribunal administered by the Condominium Authority of Ontario that is authorized to resolve certain disputes primarily between condo corporations and owners.

Condominium Management Services Act (CMSA): The CMSA provides a framework for regulating condo managers and condo management providers and requires that they be licensed to provide condo management services in Ontario.

Cooling Off Period: Ten-day period within which buyers of pre-construction condos have the right to rescind, or cancel, a purchase agreement they have signed, for any reason whatsoever. Begins on the later of the date the buyer received the disclosure statement, a copy of this Condo Guide, and the copy of the agreement of purchase and sale.

Declarant: The owner of the land where the condo corporation is being established. *Note that, for ease-of-understanding, the Condo Guide sometimes uses the term "developer" in many places in place of the term "declarant", which is used in the Condominium Act, 1998. The Ontario New Home Warranties Plan Act also uses the terms "vendor" and "builder".

Declaration: Governing document that contains important information about the condo corporation, such as the percentage that the unit owner must contribute to the common expenses and a breakdown of the responsibilities for repairing and maintaining the units and common elements.

Description: The description defines the units and the common elements and specifies the boundaries between them.

Declarant-Controlled Board: A condo corporation board including directors appointed by the declarant (i.e. the developer).

Delayed Occupancy: When a unit buyer is unable to take possession of the new residential unit by the firm or outside occupancy dates contained in the Addendum to a purchase agreement.

Director / Board of Directors: The individuals who are appointed or elected to manage the affairs of the condo corporation. Directors are responsible for making important decisions and serve for terms of up to three years.

Director Training: Training program provided by the Condominium Authority of Ontario. All condo directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program within six months of their appointment, election, or re-election. Directors do not have to take the training if they have completed the program within the previous seven years.

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Disclosure Statement: A document that your declarant must provide when you purchase your unit from them or someone benefiting them, and which includes important information about your unit and the condo corporation (proposed or registered).

Exclusive Use Common Elements: Are common elements that specific unit owners/occupiers have exclusive use of (e.g., a balcony connected directly to a single unit).

Governing Documents: A condo corporation's declaration, by-laws, and rules.

Information Certificates: Information Certificates help to ensure that owners receive ongoing information about their condo corporation throughout the year. There are three types: Periodic Information Certificates, Information Certificate Updates, New Owner Information Certificates.

Information Certificate Updates: are information certificates which include information on certain key changes before the next scheduled Periodic Information Certificate (such as changes in the directors or officers of the condo corporation). These are to be distributed within 30 days of the change.

Interim Occupancy: When a buyer takes occupancy of their unit before the condo corporation has been registered with the Land Registry Office, and before ownership is transferred to the buyer. The duration of the interim occupancy is called the interim occupancy period, and during that period the buyer is required to pay occupancy fees.

Interim Occupancy Fee: The amount that a buyer is required to pay the declarant during the interim occupancy period.

Interim Occupancy Period: The period from your interim occupancy date to the date ownership is transferred to you.

New Owner Information Certificates: Information certificates which are sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation.

Notices: Notices are documents containing information that an individual is entitled to receive as a unit owner. Notices will be delivered to you in either hardcopy or digitally (if the condo corporation and owner agree to electronic delivery or if that is otherwise permitted).

Owners' Meetings: Meetings which all owners are invited to. Includes annual general meetings, owner-requisitioned meetings, turn-over meetings, and meetings called by the board regarding the transaction of any condo business.

Owner-Requisitioned Meetings: Meetings requested by the owners to discuss/vote on a specific topic, such as the removal of a director or voting on a rule proposed by the board of directors.

Periodic Information Certificates: Information certificates which focus on the condo corporation's board, finances, insurance, reserve fund, legal proceedings, and other matters.

Phased Condominium: A condominium that is built and registered in phases. Once the construction is complete, it becomes a standard condominium.

Quorum: The law requires that a minimum number of owners be present (either in person or by proxy) at a meeting. Without quorum, voting cannot take place, however discussion on relevant business is still permitted.

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Reserve Fund: A fund condo corporations save and use to handle the larger financial burdens, for major repair or replacements of common elements and assets as needed.

Reserve Fund Study: Determines how much money needs to be in the reserve fund to ensure the major repairs/replacements can be paid for in the future. The reserve fund study must be prepared by a specialist, like an engineer. The board of directors approves the study, then informs owners of the results of the study.

Rules: Rules are part of the condo corporation's governing documents. Rules exist for the protection of those living in the condo corporation as well as the protection of the assets of the condo corporation itself, and to prevent unreasonable interference with the use and enjoyment of the units, common elements, and assets of the condo corporation. Rules must be consistent with the Condo Act and the declaration and by-laws of the condo corporation as well as reasonable.

Special Assessment: An extra one-time charge added on top of an owner's common expense fees.

Standard Condominium: The most common type of condo corporation in Ontario, where the condo corporation is made up of units and common elements.

Statement of Critical Dates: The Statement of Critical Dates can be found in the Addendum to your purchase agreement. The Statement contains the dates you can expect to take occupancy of your unit, as well as other important information.

Status Certificate: A document that anyone can request from a condo corporation and which contains important information about the unit and condo corporation.

Turn-Over Meeting: The meeting held by the declarant-controlled board within 42 days of the declarant ceasing to own a majority of the units. At this meeting, the owners will elect a new board and the declarant-controlled board will turn over several items to the new owner-elected board.

Vacant Land Condominium: A type of condo corporation in which the units may be vacant lots at the time of purchase, and the condo corporation may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.

Appendix “D10”

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AURORA MILLS
BUSINESS PARK

Unit(s) 13, Block 5 (to be updated as per survey to unit 20, block 5)

AGREEMENT OF PURCHASE AND SALE

DS
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1.01 1.01 **Agreement to Purchase** 2733214 Ontario Inc.

The undersigned ~~S.A.B Building Restoration Ltd~~. (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being number(s) 13, Block 5, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act*, *1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of on waiver of conditions of the Purchaser's execution of this Agreement, which sum, equals 5% of the Purchase Price;

(b) the sum of sixty (60) days after the date of the Purchaser's execution of this Agreement, which sum, equals 5% of the Purchase Price;

(c) the sum of by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5% of the Purchase Price; and

(d) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be _ _____ (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: Construction Office (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

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This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

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DATED at Toronto, this 26 day of January, 2022. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

DS
DI

2733214 Ontario Inc.

~~S.A.B. Building Restoration Ltd.~~

Per: DocuSigned by: Suhrob Badirov
58A3373CF3FE4E6...
Name:
Title:

Per: _____
Name:
Title:
I/We have the authority to bind the corporation

Purchasers' Address:

34 Leading Rd., Unit 14

Toronto, ON M9V 3S9

Purchaser's Telephone Numbers:

Home: (_____)

Business: (416-744-7000)

Fax: (_____)

E-mail: (suhrob@sabrerestoration.com)

Purchasers' Solicitor:

Name: _____

Address: _____

Tel: _____ Fax: _____

2352107 Ontario Inc.

Per: _____
Name: Paolo Abate
Title: Director

I have authority to bind the Corporation.

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: **Aaron M. English**
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

Appendix “D11”

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AURORA MILLS
BUSINESS PARK

Block 5&6, Unit 21-22

AGREEMENT OF PURCHASE AND SALE

1.01 **Agreement to Purchase**

The undersigned Heal Estates & Assets Ltd. (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being Block 5&6, Unit number(s) I21 & I22, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions:

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of [redacted] upon waiver of Purchaser's Conditions, contained herein, which sum equals 10% of the Purchase Price;

(c) the sum of [redacted] sixty (60) days after the date of the waiver of the Purchaser's Conditions, which sum, equals 5% of the Purchase Price;

(d) the sum of [redacted] by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5% of the Purchase Price; and

(e) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

(f) The Purchaser may increase balance to be paid on occupancy closing at no cost.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be February 1st, 2025(the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: **Manufacturing, storage and distribution of any products compliant with municipal zoning regulations, including natural health products** (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules, Zoning and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

6/12/2024

6/12/2024

DATED at_____, this_____day of_____, 2024. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

Heal Estates & Assets Ltd.

Per: DocuSigned by: Erin Ford 7090B7AE90534A0... DocuSigned by: ED9955A4079F4B4...

Name: Erin Ford Lee Know

Title: Vice President Director

I/we have the authority to bind the corporation

Purchasers' Address:

PO Box 93331
RPO Yonge Mulock
Newmarket, ON,
L3X 1A3

_____

_____

Purchaser's Telephone Numbers:

Home: (647-882-5669)

Business: (_____)

Fax: (_____)

E-mail: (Dr.know@3Dmedicine.org)

Purchasers' Solicitor:

Name: _____

Address: _____

Tel: _____ Fax: _____

2352107 Ontario Inc.

Per: DocuSigned by: 6/10/2024 90445806FC6E4CC...

Name: Paolo Abate

I have authority to bind the Corporation.

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: Aaron M. English
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

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AURORA MILLS
BUSINESS PARK

SCHEDULE "A"

UNIT FINISH FEATURE SHEET

Floor:

- Structural concrete slab.
- All floors will be provided with smooth trowel finish.
- Foundation thickness to be minimum of 6 " with wire mesh reinforcement.

Demising Walls:

- 6 Inch concrete block walls from floor to ceiling.

Ceiling:

- Exposed metal decking
- A clear height of 25 feet, from floor to the underside of the joists, will be provided in the warehouse.

Doors:

- Front Entry Door: Full glass entry doors with metal frames and vendor standard hardware. All front entry doors will have automatic entry systems installed.
- Back Exit Door: Steel exit door with metal frames and vendor standard hardware.
- Shipping Doors: 12 ft. high, minimum 10 ft. wide, overhead door at grade.

Mezzanine:

- Structural mezzanine of 40 % of the ground floor area, provided unfinished, with metal access stairs and railing at back, as per code. Mezzanine to be positioned 15 ft. back from the front of the unit. Stairs to be installed in the centre of the mezzanine.

Lighting:

- Hanging LED warehouse lights will be provided, evenly spaces to allow full lighting coverage in warehouse area.

Electrical:

- 200 AMP, 120/208 Volt power service provided for each unit.
- Electrical panel provided for each unit.
- Buyer to handle all distribution to unit.

Telephone / Cable:

- Two empty conduits for telephone and / or cable will be provided to a point within the unit from the condominium's telephone / cable room, in accordance with the service provider's requirements and equipment.

Heating, Ventilation & Air Conditioning (HVAC):

Office Area:

- Heating & cooling will be provided by a 1 ton per 400 sq. ft., roof top mounted HVAC unit.

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Plumbing:

- A capped 25 mm cold water line complete with an individual check meter.

- 50 mm plumbing vent, together with sanitary drainage connections to risers are available throughout each unit be roughed in by the Vendor and any domestic hot water required shall be provided by way of an electric domestic hot water heater acquired or rented by the Purchaser at its sole cost and expense.

Life Safety Systems:

- The condominium will be serviced by a sprinkler system within applicable provisions of the Ontario Building Code. Each unit will be equipped with a fire alarm speaker.

Meters:

- Each unit will be sub-metered or check metered for electrical and gas by the Vendor. Electronic metering for domestic cold water, will be handled by the condominium corporation.

Exterior Wall:

- The exterior wall will be comprised of a mix of precast panels, stucco features and energy efficient window glazing.

Subject to certain terms and conditions as defined in the Agreement of Purchase and Sale. Features, finishes, sizes and specifications are subject to change without notice. All rights reserved. E&O.E. Jan. 2022.

DS DS DS

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AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

THE UNDERSIGNED, being the Purchaser of the Unit described as Block 5&6, Unit(s) 21-22, (the "**Unit(s)**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated January 12, 2022 and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

_____	DocuSigned by: _____ ED9935A4079F4B4...
Witness	Purchaser
_____	DocuSigned by: Erin Ford 7396B7AE68534A0...
Witness	Purchaser

Dated at _____ , this ____ day of _____, 2024.

6/12/2024

6/12/2024

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AURORA MILLS
BUSINESS PARK

SCHEDULE "X"

1. **Definitions**

In addition to any other defined words or terms used throughout this Agreement, the defined words or terms set out below shall have the meaning respectively ascribed to them as follows, namely:

(i) **"Act"** means the *Condominium Act, 1998*, S.O. 1998, Chapter C.19, and any regulations and amendments thereto and other terms used herein shall have ascribed to them the definitions contained in the Act or the proposed Declaration, unless the context herein otherwise requires;

(ii) **"Agreement"** shall mean the Agreement of Purchase and Sale to which this Schedule "X" is attached and forms a part, including all Schedules attached thereto and made a part thereof;

(iii) **"Closing Date"** or **"Date of Closing"** or **"Closing"** means that date designated by the Vendor's solicitor as the final closing date on which a registerable transfer of title to the Unit will be delivered to the Purchaser, which date shall be at least 10 days after written notice is given by the Vendor's solicitor to the Purchaser or his or her solicitor that the Condominium Documents (as hereinafter defined) have been registered on title to the Lands;

(iv) **"common elements"** shall mean the common elements of the Condominium, which may include, without limitation, the loading and service areas, garbage areas, electrical rooms and mechanical rooms;

(v) **"Condominium"** means the lands and building constructed or to be constructed by the Vendor on the Lands and as more particularly described in the draft plan of condominium attached to and accompanying the Disclosure Statement;

(vi) **"Condominium Documents"** means the Declaration and Description, the registration of which creates the Corporation, together with the Disclosure Statement, By-laws and Rules, and all other documents and agreements which the Vendor and/or the declarant of the Condominium wishes to have the Corporation enter into subsequent to its registration as a condominium;

(vii) **"Corporation"** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act;

(viii) **"Disclosure Statement"** shall mean the disclosure statement delivered by the Vendor to the Purchaser pursuant to the requirements of the Act, inclusive of the budget statement;

(ix) **"Governmental Authority"** shall mean the Municipality together with any provincial, federal or other governmental or quasi-Governmental Authority having jurisdiction over the Lands and **"Governmental Authorities"** has a corresponding meeting;

(x) **"HST"** and **"HST Legislation"** have the respective meanings set out in this Schedule "X";

(xi) **"Lands"** or **"Property"** shall mean those lands and premises in the Town of Aurora, Regional Municipality of York in the Province of Ontario, comprised of Blocks 5 and 6, Registered Plan 65M-4790, currently being parts of PIN Nos. 03620-1629 and 03620-1632 and which Lands (or any portion thereof) may be subject to the additional easements, restrictions and/or agreements more particularly described in this Schedule "X" and/or the Condominium Documents;

(xii) **"Municipality"** means the local municipality in which the Lands are situate, being the Town of Aurora, together with any regional, provincial, federal and/or other Governmental Authorities or agencies having jurisdiction over the development of the Lands and the construction of the Condominium thereon;

(xiii) **"Occupancy Agreement"** means the agreement, if any, which is required to be executed by the Purchaser prior to taking possession of the Unit on the Occupancy Date or which is deemed to be incorporated into the terms of this Agreement in the event that the Vendor elects to not have the Purchaser execute and deliver a separate agreement setting out the occupancy terms, unless the Occupancy Date is the Closing Date;

(xiv) **"Occupancy Date"** or **"Occupancy"** means the date the Purchaser is required to take occupancy of the Unit (subject to any other provisions of this Agreement to the contrary); provided however that if the Condominium Documents (exclusive of the Disclosure Statement and budget statement) have been registered on title to the Lands and the Vendor's solicitors have notified the Purchaser or the Purchaser's solicitor of same, and the Vendor's solicitors have also confirmed in writing to

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the Purchaser or the Purchaser's solicitor that they are ready to deliver a registered deed/transfer of title to the Unit to the Purchaser in accordance with the terms and provisions hereof, then such date shall also constitute and be construed as the "Closing Date" under this Agreement, and the provisions of this Agreement shall then be amended accordingly mutatis mutandis to give effect to same;

(xv) "**Standard Condominiums**" mean the proposed standard freehold condominiums (together with all common elements and shared facilities forming a part thereof) contemplated to be constructed and created by the Vendor on the lands adjoining to and in the vicinity of the Condominium; and

(xvi) **"Substantial Completion"** or **"substantially complete"** or **"substantially completed"** means for the purposes hereof that point in time when the interior work to the Unit has been finished to permit occupancy notwithstanding there remains other work within the Unit to be completed, including, without limitation, Purchaser's Work. The Purchaser acknowledges that failure to complete the common elements or any part thereof before the Occupancy Date shall not be deemed to be failure to substantially complete the Unit.

2. **Interim Occupancy and Closing - Vendor to provide 20 days notice of occupancy closing.**

(a) The Unit shall be deemed to be completed for the purposes of the Occupancy Date when the Unit is substantially complete, in the opinion of the Vendor, and the Purchaser agrees that Occupancy shall be completed on that date as hereinafter provided without holdback of any part of the Purchase Price and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete the common elements or any of the other proposed units to be included in the Condominium on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. Further, the Purchaser acknowledges and agrees that the Unit is being delivered as a "basic shell", and in accordance with the provisions of the Feature Sheet attached as Schedule hereto and that accordingly the Unit is completed when the walls, floors and ceiling of the main structure of the Unit are completed in accordance with the provisions thereof, and the requisite servicing to the Unit as is further described therein, and the Purchaser specifically acknowledges and agrees that it shall be the Purchaser's responsibility to complete all requisite improvements to the main structure of the Unit, and to obtain and comply with any and all requisite building and occupancy permits required by the Ontario Building Code, or any Governmental Authority having jurisdiction with respect to same.

The Purchaser acknowledges and agrees that the issuance of either a certificate of substantial completion from a qualified professional or such other confirmation from the Municipality that the Unit has met the Governmental Authorities' minimum standards for occupancy shall constitute evidence that premises are fit for occupancy. ~~complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof.~~

Notwithstanding what is contained above, at the sole discretion of the Vendor, the Purchaser may not be allowed to occupy the Unit until the occupancy requirements of any relevant Governmental Authority have been complied with (as well as any applicable permitted encumbrances subject to which the Purchaser is required to accept title to the Unit pursuant to the provisions of this Agreement). If the Purchaser shall occupy the Unit prior to the compliance of the aforesaid occupancy requirements, the Purchaser shall indemnify the Vendor for any costs, charges or penalties payable by, or claimed against, the Vendor, as a result thereof. The Vendor shall not be under any obligation to deliver an occupancy certificate from the Municipality or other certificate or document which evidences permission to occupy the Unit.

(b) If the Unit is substantially complete, as set out in subparagraph (a) hereof, on the Occupancy Date, but the Corporation has not yet been registered, then the Purchaser shall occupy the Unit as a licensee on that date pursuant to the Vendor's standard Occupancy Agreement (or pursuant to the terms hereof if the Vendor, in its sole and absolute subjective discretion elects to not have a separate Occupancy Agreement), and shall pay to the Vendor a monthly occupancy fee which, in addition to any other components or factors which the Vendor may from time to time lawfully utilize in calculating said occupancy fee, shall be equal to the monthly estimated common expenses for the Unit, an amount reasonably estimated on a monthly basis for municipal taxes attributable to the Unit, and interest calculated in accordance with the Act, on a monthly basis, on the Unpaid Balance, and the occupancy by the Purchaser shall be governed insofar as is applicable, by the provisions of the proposed Declaration, By-laws and Rules. The Purchaser shall provide on or before the Occupancy Date a series of post-dated cheques for the monthly occupancy fee, or execute a pre-authorized chequing plan therefor, as required by the Vendor. It is understood and agreed that all amounts paid by the Purchaser by way of occupancy fee are not to be credited to the Purchaser as payments on account of the Unpaid Balance of the Purchase Price, nor shall any part thereof be returned to the Purchaser in the event that any deposit monies are to be returned to the Purchaser by reason of the termination or deemed termination of this Agreement. No adjustment shall be made for fluctuations in those items on which the occupancy fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly occupancy fee and adjust on the Closing Date any interim bills paid by the Vendor prior to the Closing Date. The Purchaser in such event shall still be responsible

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for all supplementary tax bills resulting from the construction of the Condominium building for the period from and after the confirmed Occupancy Date and all tax bills after Closing Date applicable to the Unit. If any taxes are exigible or otherwise payable with respect to the monthly occupancy fee payable by the Purchaser, then the Purchaser shall be solely responsible for paying such taxes, which shall be added to the monthly occupancy fee.

(c) For the foregoing purposes, the Occupancy Date is the date set out in Subparagraph 1.04(c) of the first page of the within Agreement, provided that the Vendor reserves the right to (i) extend the Occupancy Date as set out below; and (ii) to accelerate the Occupancy Date to an earlier date after giving at least fifteen (15) days written notice of such earlier date. If the Property is not substantially completed by the Occupancy Date for any reason whatsoever, whether beyond the Vendor's control or otherwise, so that the Purchaser cannot be given possession thereon, the Vendor shall be entitled to extend the Occupancy Date for a period or periods not exceeding in total eighteen (18) months. If the Unit is not substantially completed by the end of such eighteen (18) month period, as aforesaid, the Vendor, at its option, shall be entitled to extend the Occupancy Date for two (2) further periods not exceeding six (6) months each, or, alternatively, the Vendor may at its sole option as of the end of such eighteen (18) month period, or each extended period, as the case may be, declare this Agreement null and void, all upon written notice to the Purchaser, in which event the deposits shall be returned to the Purchaser with interest in accordance with the provisions of the Act and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof. The Vendor may, in its sole and absolute subjective discretion, on one or more occasions, extend the Closing Date to such date as the Vendor may deem advisable upon at least seven (7) days' written notice to the Purchaser.

(d) The Vendor covenants to proceed with all due diligence and dispatch to attempt to register the Condominium Documents as quickly as possible. If the Vendor for any reason whatsoever, except its own willful default, is unable to register the Declaration so as to enable delivery of a registerable transfer to the Purchaser (including an electronic transfer) within twenty-four (24) months of the Occupancy Date then, the Vendor shall have the right to extend the time for registration of the Condominium Documents, for a further period of twelve (12) months, or the Vendor shall have the right to declare this Agreement, notwithstanding any intervening acts or negotiations, at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser towards the Purchase Price, subject only to the proper set-off claims of the Vendor pursuant to this Agreement, shall be returned to the Purchaser with any interest then due to the Purchaser in accordance with the Act, provided however, that the Vendor shall not be obligated to return to the Purchaser any monies paid in respect of the Purchaser's occupancy of the Unit. If the Vendor extends the time for registration of the Declaration by a further twelve (12) months, and the Declaration is not registered at the end of such extended period, then, at the sole option of the Vendor, this Agreement shall be at an end and upon the Purchaser providing vacant possession of the Unit to the Vendor, all monies paid by the Purchaser shall be returned, subject to the conditions and exceptions contained in this Agreement, and the Vendor shall not be liable for any costs or damages whatsoever incurred by the Purchaser as a result thereof.

(e) The Purchaser's occupancy as a monthly occupant shall not constitute a relationship of landlord and tenant and shall be based on the terms and conditions of the Vendor's standard Occupancy Agreement which the Purchaser shall, if required by the Vendor, execute prior to possession of the Unit being given and which shall include, *inter alia*, the following (or if not required by the Vendor based on the terms included in this Agreement relating to occupancy):

(i) The Unit shall only be used for the Intended Use of the Purchaser as stated in paragraph 1.05 of the first page of the within Agreement and provided such use is permitted by the Municipality's zoning by-laws, and is in accordance with proposed Declaration, By-laws, Rules and all agreements entered into by the Vendor or the Condominium, and excepting the uses as are hereinafter specifically set out in the Agreement. For greater certainty, the Purchaser covenants and agrees that the Purchaser shall be precluded from using or permitting the use of the Unit for any of the prohibited uses specified in the Condominium Documents. The Purchaser further acknowledges and agrees that, at the option of the Vendor, the transfer of the Unit may contain provisions specifying such restrictions with respect to use. The Vendor shall have the right to amend, alter, diminish or delete any or all of said restrictions in its sole discretion provided that the Vendor shall not add additional restrictions that affect the then current use of the Unit. In addition, the Vendor shall have the right to impose one or more of said restrictions against one or more of the proposed units in the Condominium rather than all of the proposed units. The Vendor shall have the right to incorporate the terms of this Section (or such portions thereof as the Vendor may require) into a separate agreement which shall be executed and delivered by the Purchaser on the Occupancy Date and/or the Closing Date (at the sole discretion of the Vendor) and may be registered by the Vendor on title to the Unit either before or immediately after the transfer of title and in priority to all other instruments, including any mortgage or charge granted by the Purchaser;

(ii) No person other than the Purchaser and, if applicable, its employees, servants, officers and directors shall have the right to access or use the Unit. The Unit shall at all times only be accessed and used for the purposes set out in the proposed Declaration and in

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accordance with the terms and provisions of this Agreement and the draft Condominium Documents and the Purchaser and, if applicable, its employees, servants, officers and directors, shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly and first-class manner as would a prudent owner, and, except for the Purchaser's Work, shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld or delayed). The Purchaser acknowledges and agrees that the Purchaser shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent (which consent may be arbitrarily withheld or delayed) and without being accompanied by a representative of the Vendor;

(iii) the Purchaser shall maintain the Unit in a clean and proper condition and shall make no alterations of any nature or kind whatsoever to the Unit without obtaining the prior written approval of the Vendor, as required by the provisions of the within Agreement and/or the provisions of the Condominium Documents, and shall conform with all other obligations set forth in the Occupancy Agreement;

(iv) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld or delayed. The Purchaser shall be responsible for and shall pay to the Vendor all administrative and legal fees incurred by the Vendor in connection with the Purchaser's request for consent to an assignment or sublet, regardless of whether or not the Vendor provides the requested consent;

(v) The Vendor shall have the right to enter the Unit upon providing 24 hour written notice ~~at all reasonable times~~ (unless there is an emergency, in which case such right to enter the Unit can be at any time) for the purpose of conducting inspections thereof, for facilitating the registration of the Condominium under the Act, and for correcting and completing any outstanding work with respect to the Condominium;

(vi) It shall be a condition of the Purchaser's right to occupy the Unit (which condition is inserted for the sole benefit of the Vendor and which the Vendor may but shall not be obligated to in writing waive in the Vendor's sole and absolute subjective discretion) that it shall on the Occupancy Date provide the Vendor with an unconditional offer to finance which the Purchaser has secured if the Purchaser requires financing for the completion of the acquisition of the Unit, or other evidence reasonably satisfactory to the Vendor that the Purchaser will be in a financial position to complete the transaction on the Closing Date;

(vii) On or before the Occupancy Date and at the option of the Vendor, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgements, assumption agreements and/or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the Closing Date were taking place at that time;

(viii) the Purchaser shall, from the Occupancy Date, be responsible to pay all realty taxes, telephone, utility, heating, water and any and all other charges and expenses billed, or intended to be billed, directly to the Unit owner by the supplier of such utilities and/or services unless same are included as a proposed common expense(s). The Purchaser acknowledges that the consumption of electricity in the Unit shall be separately metered or check metered with the Purchaser being responsible for the cost of such utility consumed in the Unit, in addition to and not part of the common expenses payable by such owner. The Purchaser covenants and agrees that, if required by the Vendor, it shall enter into such form of utility supply and services agreement with any utility monitor(s) or utility provider(s) selected by the Vendor in the form required by such utility monitor(s) or utility provider(s) as a requirement of the Vendor's obligation to provide occupancy of the Unit to the Purchaser. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to one or more of such utility monitor(s) or utility provider(s) prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date. In the event that the Unit includes any rental equipment and associated components which would remain the property of the appropriate company or other supplier of such items, then, in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date and shall execute all requisite rental documents in connection therewith and deliver same to the Vendor, or as the Vendor directs, on or prior to the Occupancy Date. With respect to utility charges for any utilities which are not billed directly to the Purchaser by the utility supplier, the Purchaser shall pay to the Vendor on demand (and in monthly instalments, in advance, based on the Vendor's estimates) the amount of the aforesaid utilities based on the Vendor's or its agent's readings of check meters which serve the Unit;

(ix) the Purchaser shall be responsible for all damage to both the Unit and the Property, including to the common elements, caused by the Purchaser or the Purchaser's agents, servants, workmen, invitees, licensees, or those for whom in law the Purchaser is

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responsible. The Purchaser shall reimburse the Vendor for the cost of repair in respect of any such damage, and shall indemnify and save the Vendor harmless from all costs and liability in connection therewith, and/or costs incurred by Vendor in repairing and restoring the Unit and the Property, and including the common elements thereof Without in any way limiting the foregoing, the Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the Condominium, or the Unit or damage to the property of the Purchaser or of others located on the Condominium or the Unit, nor shall it be responsible for the loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage result from the negligence of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any cause whatsoever. The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work;

(x) in the event of damage by fire, lightning or tempest during the period of occupancy, it is understood and agreed by the parties hereto that if the Unit can be repaired within one hundred and eighty (180) days, or if longer than one hundred and eighty (180) days and Vendor elects not to terminate this Agreement, as hereinafter set out, then the Unit shall be repaired by the Vendor and the monthly occupancy fees shall abate during the making of such repairs. If such damage cannot be repaired within one hundred and eight (180) days, then at the Vendor's option, such occupancy and this Agreement of Purchase and Sale shall be terminated, and the Purchaser shall deliver up vacant possession of the Unit to the Vendor, and all monies paid by the Purchaser on account of the Purchase Price shall be returned to the Purchaser;

(xi) the Purchaser shall be allowed to occupy the Unit so long as the Purchaser does not breach any provision of this Agreement or the Occupancy Agreement. In the event the Purchaser breaches this Agreement or the Occupancy Agreement, such license to occupy the Unit shall be revocable without notice at the sole option of the Vendor, and the Purchaser shall be deemed to be a trespasser and shall deliver up vacant possession forthwith, and the Vendor shall have the right to take such action as it deems necessary to obtain vacant possession. Furthermore, the Purchaser shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit, it being understood that the Vendor may use any security deposit provided by the Purchaser hereunder and/or other security provided by the Purchaser in accordance with the terms of this Agreement for the purposes of restoring and repairing the Unit;

(xii) It is acknowledged that possession of the Unit is based on this Agreement for the purchase of the Unit and such possession shall not alter the terms, conditions and covenants contained in this Agreement which shall continue in full force and effect. The Vendor may enforce the provisions of the Occupancy Agreement (whether same is deemed to be the provisions hereof or is in the form of a separate agreement) separate and apart from the purchase and sale provisions of this Agreement; and

(xii) the Purchaser shall place and maintain such insurance policies, in such amounts, and with such insurers as the Vendor in its sole and absolute discretion determines, with respect to the Purchaser's use and occupancy of the Unit and with respect to the Purchaser's Work, including, without limitation, liability insurance in an amount of no less than $5,000,000.00 per occurrence. The Vendor shall be shown as an additional insured or loss payee on all such policies and the Purchaser shall be required to provide the Vendor with evidence of the placement and standing of such insurance policies, prior to the Purchaser taking occupancy of the Unit.

(f) On each of the Occupancy Date and the Closing Date, the Purchaser shall provide the Vendor with an original clear execution certificate in the Purchaser's name from the local Land Titles Office.

3. **Construction and Changes**

(a) The Vendor agrees to complete the main basic structure and servicing of the Unit as is required hereunder and the common elements in a good and workmanlike manner in compliance with applicable building regulations. The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by the Municipality, or any other Governmental Authority or agency having jurisdiction, or the Vendor's mortgagee, change, vary or modify the plans and specifications pertaining to the Unit or the Condominium (including architectural, structural, engineering, landscaping, grading, mechanical, site, servicing or other plans) from the plans and specifications existing at the inception of the project, or as they exist at the time the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure, model in the sales office or otherwise,

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and the Purchaser shall have absolutely no claim or cause of action against the Vendor or its agents for any such changes, variances or modifications, nor shall the Purchaser be entitled to any notice thereof and where any such change, variation or modification is a material change as set out in the Act, then the Purchaser's only recourse and remedy shall be pursuant to the Act. The Purchaser acknowledges that the Vendor may, from time to time, substitute such other materials utilized in the construction of the Unit and the common elements of the Condominium, from those specified or contemplated in the aforesaid plans or specifications, provided that the quality of any substituted material(s) is comparable to or better than the material(s) originally indicated in the said plans or specifications and the Purchaser hereby consents to any such substitution.

(b) Any model units or sales office furnishings, decor, improvements, layouts, plans, renderings and including, without limitation, any ceiling heights applicable to both the Unit, the exclusive use common elements and the common elements are for display purposes only and are not included in the Purchase Price or reflective of any particular Unit. The exact location and size of any mechanical installations, common elements, or exclusive use common elements may not be as shown on the sales brochure and will be located in accordance with approved plans and/or good construction practice and may result in both changes in location and room size reductions.

(c) The Purchaser acknowledges that the Unit is being delivered as a basic shell and that the Purchaser is responsible for all finishings required for the Unit. Only those items set out in Schedule “A” attached hereto and forming part of this Agreement are included in the Purchase Price.

(d) For purposes of the common elements or any exclusive use common areas only, the Purchaser specifically acknowledges that in the manufacture of finishing items, colour variances sometimes occur. The Purchaser hereby agrees to accept any such colour variation resulting from the manufacturing process without any right of abatement in the Purchase Price and in full satisfaction of the Vendor's obligations herein.

(e) Without in any way limiting the generality of any other terms set out in this Article 3 or elsewhere in this Agreement, the Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other reason, including without limitation any request or requirement of the Municipality, or any of the Governmental Authorities or any request or requirement of the Vendor's architect or other design consultants:

(i) change the Property's municipal address or numbering of the Unit (in terms of the unit number and/or level number ascribed to any one or more of the units comprising the Unit);

(ii) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of commercial, industrial and/or parking units and/or other ancillary units intended to be created within the Condominium, and/or any changes to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of the building or any unit or other units within the Condominium; and/or

(iii) change, vary, or modify the number, size and location of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any windows, doors, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any windows, doors, loading areas, utility services, columns, bulkheads, heating components, piping, drains, boiler components, water tanks (if any) and/or rough-in work from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise,

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or modification to the said plans and specifications is material in nature as set out in the Act, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Closing Date (and specifically within 10 days after the Purchaser is notified or

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otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

(f) The Purchaser acknowledges and agrees that the confirmation by the Municipality that Occupancy of this Unit is permitted shall constitute complete and absolute acceptance by the Purchaser of all construction matters and the quality and sufficiency thereof including, without limitation, all mechanical, structural and architectural matters related to both the Unit and the Property, including the common elements.

4. **Purchaser's Work**

The Purchaser agrees that it shall not be entitled to commence improvements which it wishes to make to the Unit (the "**Purchaser's Work**") without first fulfilling the following conditions:

(a) The Purchaser has obtained the written approval of the Vendor prior to any commencement of the Purchaser's Work, and which approval shall not be unreasonably withheld;

(b) (i) If the Purchaser wishes to commence the Purchaser's Work, the Purchaser shall submit to the Vendor for approval in accordance with the Vendor's requirements a complete set of plans, drawings, specifications, construction schedule(s), construction contract(s) and other information (collectively, the "Purchaser's Plans") as may be necessary or desirable for the complete and particular identification of all work to be performed by the Purchaser, all of which shall be prepared by qualified and licensed architects and/or engineers;

(ii) The Purchaser's Plans shall be subject to the approval of the Vendor, which approval may be withheld, delayed or conditioned (including, without limitation, any condition requiring the Purchaser to use electrical and mechanical engineers and/or subcontractors designated or approved by the Vendor and/or setting out details regarding the supervision, control and inspection of the Purchaser's Work by the Vendor) ~~in~~ the Vendor acting reasonably ~~sole and absolute subjective discretion~~. The Vendor shall notify the Purchaser of its approval of the Purchaser's Plans or of the specific changes required in writing and the Purchaser shall then prepare and submit to the Vendor within ten (10) days of such notification revised Purchaser's Plans satisfactory to the Vendor. The Purchaser is to reimburse the Vendor for all costs incurred by the Vendor in reviewing and providing its approval for the Purchaser's Plans (including, without limitation, any costs and/or fees relating to the retention of any architect(s), construction or project managers, engineer(s) and/or designer(s) to review same), and the Vendor may charge a fee in advance for such review, and at the time that the Purchaser's Plans are first submitted, or re-submitted, as the case may be;

(iii) No Purchaser's Work shall be commenced until the Purchaser's Plans have been approved in writing by the Vendor and the Purchaser's Work shall be performed strictly in accordance with the Purchaser's Plans as previously approved to be in writing by the Vendor. The Vendor's approval of any of the Purchaser's Work shall not constitute a waiver by the Vendor of the Purchaser's obligations herein to comply with the Act, the draft Condominium Documents and all laws and the requirements of all Governmental Authorities with respect to such work nor any acknowledgement or agreement by the Vendor that such have been complied with nor shall such approval constitute a waiver by the Vendor of the Purchaser's obligations to comply with the terms of this Section with respect to any subsequent Purchaser's Work. The Vendor shall be entitled to a reasonable administration fee for reviewing and approving the Purchaser's Plans. A set of the Purchaser's Plans with the Vendor's consent endorsed thereon shall be kept at the Unit at all times throughout the period when the Purchaser's Work is being performed. The Vendor may, at its sole option, at the expense of the Purchaser, payable on demand, rectify or remove any Purchaser's Work which does not comply with the Purchaser's Plans as previously approved by the Vendor, the Ontario Building Code or any other governmental requirements and/or complete any of the Purchaser's Work that remains uncompleted as more particularly contemplated in this Agreement, all in the Vendor's sole and absolute discretion. In addition, the Purchaser will deposit the sum of ten thousand ($10,000.00) dollars with the Vendor as a security deposit prior to the commencement of any of the Purchaser's Work hereunder, with such monies or the portion of such monies remaining after any default on the part of the Purchaser hereunder and application of any portion of such security deposit on account of the costs incurred by the Vendor in connection with same, being returned by the Vendor to the Purchaser upon the Purchaser providing an occupancy permit or certificate, or other satisfactory evidence that the Purchaser's Work has been completed in compliance with the Ontario Building Code, and all other applicable government requirements;

(iv) The Purchaser shall not be permitted to perform any Purchaser's Work in the Common Elements;

(v) The Purchaser shall keep the Unit insured during the period of time in which the Purchaser is carrying out the Purchaser's Work as may be required by the Condominium and/or the Vendor, including builders risk insurance during the course of construction of Purchaser's

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Work, liability insurance of a minimum of Five Million ($5,000,000.00) Dollars and worker's compensation coverage. The Purchaser shall be responsible for and keep insured all improvements to the standard unit and shall assume all liability in respect of same.

(c) Prior to the commencement or performing of any of the Purchaser's Work, the Purchaser shall (1) obtain all necessary consents, permits, licences, certificates and inspections from the Municipality, or any other governmental and regulatory authorities having jurisdiction, and shall make available to the Vendor copies of same and shall post permits as required; and (2) provide to the Vendor: (i) evidence of the insurance the Purchaser is required to place and maintain during the Occupancy Period pursuant to this Agreement; (ii) such indemnification against liens, encumbrances and expenses as the Vendor may reasonably require (including, without limitation, performance bonds and letters of credit in such terms and issued by such companies as shall be acceptable to Vendor, in its sole and absolute subjective discretion, in amounts at least equal to the estimated cost of the Purchaser's Work, guaranteeing completion, within a reasonable time, of the Purchaser's Work, free and clear of any liens or encumbrances), all as determined by the Vendor in the Vendor's sole and absolute subjective discretion; (iii) the security deposit referenced herein; (iv) evidence of all required Workplace Safety and Insurance Board coverage and clearance numbers; (v) evidence of all required Ontario Ministry of Labour registration forms, including, without limitation, Form 1000; (vi) if applicable, evidence of submission of a Notice of Project (Form 0175) to the Ontario Ministry of Labour; and (vii) evidence of posting, distribution and issuance (as applicable) of all required safety policy notices and training cards.

(d) (i) All the Purchaser's Work shall be performed at the sole cost of the Purchaser and in a good and workmanlike manner and shall comply with all applicable laws, by-laws, building codes, permits and approvals for such work, as well as with the requirements of the Vendor's and/or the Condominium's insurers, and the Condominium Documents. If any of the foregoing are not in compliance and the Purchaser fails to remedy such non-compliance forthwith, the Vendor may, at its sole option, remedy same, at the Purchaser's expense, payable on demand;

(ii) The Purchaser shall in no event make may structural alterations nor any alternations which shall alter the structural parts of the building constituting part of the Common Elements. Without in any way limiting the generality of the foregoing, no portion of the Purchaser's Work shall be permitted which may weaken or endanger the structure of, or adversely affect the condition or operation of the Unit, the building, the common elements or any portion of any of them, or in any way diminish the value of the Unit, the building or the common elements or any portion of any of them;

(iii) The Purchaser shall not commence any improvements to the Unit until after the Occupancy Date;

(iv) At no time shall the Purchaser's Work in any way interfere with the work being carried out by the Vendor;

(v) Any damage to the Unit, the Condominium or the Property during the performance of the Purchaser's Work by the Purchaser, its contractors, subcontractors, tradesmen or material suppliers shall immediately be repaired by the Purchaser or, at the Vendor's option, by the Vendor, at the expense of the Purchaser, payable on demand; and

(vi) Upon termination of this Agreement, the Purchaser shall forthwith remove all of the Purchaser's Work from the Unit and restore the Unit to its original condition as it existed on the day immediately prior to the date the Purchaser's Work commenced ~~or, at the Vendor's option, the Purchaser's Work to the extent it has been completed shall then remain in the Unit and shall become the property of the Vendor.~~

(e) The Purchaser shall provide a security deposit in an amount determined by the Vendor and/or the property manager, in its or their sole and absolute discretion, payable to the Vendor, prior to commencement of the Purchaser's Work. If the loading areas and/or any other portion of the common elements and/or other units is/are damaged as a result of the Purchaser's use then, the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Closing Date, together with interest at the rate set out in the default provisions of this Agreement. The Vendor shall retain the said security deposit until the Purchaser's Work has been completed and the Vendor and/or the property manager has or have determined, in its or their sole and absolute discretion, that no damage has been done to the loading areas or any other portion of the common elements. The failure to complete the Purchaser's Work shall in no way preclude the Vendor from registering, or delay the Vendor's registration of, the declaration and description creating the Condominium Corporation and the Purchaser shall be required to take title to the Unit on the Closing Date regardless of the status of the Purchaser's Work.

(f) The opinion in writing of the Vendor's architect or other qualified consultants shall be binding on both the Vendor and the Purchaser respecting all matters of dispute regarding the Purchaser's Work, including the state of completion and whether or not the Purchaser's Work is completed in a good and workmanlike manner and in accordance with the Vendor's requirements, the

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Purchaser's Plans as approved by the Vendor and this Agreement.

(g) The Purchaser shall ensure that no construction lien or any other lien affects the Condominium or the Property or any part thereof, including the Unit, in respect of materials supplied or work done or to be done by the Purchaser or on behalf of the Purchaser or related to the Purchaser's Work and if the Purchaser fails to discharge or cause any such lien to be discharged no later than five (5) days after notice thereof has been given to the Purchaser, then in addition to any other rights or remedies of the Vendor, the Vendor may, but shall not be obligated to, discharge the lien by paying the amount claimed to be due into court or directly to the lien claimant and the amount so paid and all costs and expenses (including, without limitation, legal costs on a solicitor and his client basis), shall be payable by the Purchaser to the Vendor forthwith on demand.

(h) The Purchaser acknowledges that in the event that they acquire title to the Unit prior to the commencement of construction of improvements to the Unit, they shall also be obligated to obtain such consents as are necessary from the Condominium and abide by the terms of the Condominium Documents and the Act in regard to such construction.

(i) The Purchaser shall be obligated to obtain any occupancy permit required by the Municipality, or any other governmental, or regulatory authority having jurisdiction and shall make available to the Vendor copies of same.

(j) The Purchaser covenants that it shall not enter onto any portion of the Lands or the Unit prior to the Occupancy Date without the express written authority of the Vendor and accompanied by a representative of the Vendor. The Purchaser also covenants that, save and except for the approved Purchaser's Work, he or she will not under any circumstances, perform or have performed any work of any nature or kind whatsoever on any portion of the Unit prior to the conveyance of title to the Unit to the Purchaser and in the event of a breach of this covenant, the Vendor shall, in addition to any other remedy, be entitled to take whatever steps are necessary to remove, correct or remedy any such work and the cost or expenses thereof plus a twenty (20%) percent administration fee, plus HST, shall be paid forthwith upon demand to the Vendor, failing which the Vendor shall be entitled to terminate this Agreement.

Without limiting the generality of the foregoing, the Vendor's sales representatives, property managers and construction site employees do not have authority to waive these requirements or to authorize any work contrary to this Section and the Purchaser must receive a written authorization or waiver from an authorized signing officer of the Vendor. Any breach of this covenant by the Purchaser is an act of default. In addition to any other remedy granted to the Vendor by this Agreement, the Vendor (and/or the Condominium after registration of the declaration and description if the alterations affect the common elements of the Condominium) shall be entitled to enter into the Unit to remove, correct or remedy any such work and the costs or expenses thereof plus a twenty percent (20%) management and supervision fee**,** plus HST, shall be paid by the Purchaser to the Vendor (or the Condominium Corporation, where applicable) within fifteen (15) days of written notice. The legal fees of the Vendor or the Condominium Corporation performing the work to enforce collection of these sums shall also be payable by the Purchaser on a full indemnity basis.

(k) The Purchaser covenants and agrees that the Purchaser shall not, either before or after the Closing Date, be entitled to erect, affix, or maintain any signage whatsoever, advertising the name of the occupiers of the Unit and/or the use of the Unit and/or other matters, to any portion of the common elements, including without limitation to the interior or exterior surface of any windows or doors adjacent to the Unit, except as stipulated in this Agreement, the Declaration and the Rules. In this regard, the parties agree as follows:

(i) Adjacent to each Unit on the exterior of the Buildings shall be a designated area where signage may be placed (the "**Sign Area** or "**Sign Areas**"). It is contemplated by the Vendor that all such Sign Areas will constitute an exclusive use portion of the common elements for such Unit(s). Unit owners are to erect, affix, place and maintain any signage in illuminated black channel lettering within the Sign Area, which signage shall be no larger than eighteen (18) feet high and twenty (20) feet wide in each Sign Area, and in no other location visible from the exterior of the Unit, except for one or more podium and/or pylon sign structures which the Vendor may, in its sole and absolute discretion, erect at the entrance to the Condominium.

(ii) The Purchaser covenants and agrees to submit to the Vendor and the Vendor's architect all plans and diagrams detailing the intended signage the Purchaser wishes to erect for the prior written approval of the Vendor and the Vendor's architect. Without limiting the generality of the foregoing, said plans and diagrams shall include a reduced scale drawing of the actual intended finished sign including all graphics and the colour of the sign. The Purchaser shall be solely responsible for the cost of installation, lettering and/or other design work to be set out in the Signage Area and that same shall be in compliance with the restrictions contained in the Condominium Documents;

(iii) All sign lettering, graphics and colours must conform to uniform signage specifications as determined by the Vendor and the Vendor's architect in their sole and arbitrary discretion and must be installed in the dedicated location as designated by the Vendor;

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(iv) Notwithstanding anything contained herein, no sign that is authorized hereunder shall be erected, affixed, placed or maintained without first obtaining the Vendor's prior written approval which approval may be arbitrarily withheld. If the Purchaser or its agents erects, affixes, places or maintains a sign without first obtaining the Vendor's written approval, the Vendor may without notice to the Purchaser, but at the Purchaser's cost, remove any sign(s) so erected, affixed, placed or maintained by the Purchaser and the Vendor shall not be liable for any damages or cost whatsoever; and

(v) Upon request by the Vendor, the Purchaser shall forthwith pay to the Vendor the cost of removing the sign and any repairs required due to signage installation/removal, plus a twenty (20%) percent administrative fee.

In the event of failure of the Purchaser to comply with any of the provisions of this paragraph, including the provisions to pay to the Vendor on demand any amounts expended by the Vendor in accordance with the provisions thereof and/or the aforesaid administrative fee, the Vendor may, at its option, by notice to the Purchaser, declare this Agreement null and void, and retain all deposit moneys paid hereunder, together with any interest earned thereon, as liquidated damages and not as a penalty, and the Vendor shall not be liable for any damage or costs whatsoever that are incurred by the Purchaser as a result thereof.

5. **Limited Warranty**

The Purchaser acknowledges that neither the Condominium nor the Unit, nor any portion thereof (including, without limitation the common elements), is considered a new home under the *Ontario New Home Warranties Plan Act* (the "**ONHWPA**") and that the Purchaser is not entitled to the statutory warranty provided under the ONHWPA and administered by Tarion Warranty Corporation and further that neither the Unit nor the common elements is enrolled, nor will any of them be enrolled, under the ONHWPA. The Purchaser acknowledges and agrees that in addition to the Vendor's obligation to complete the Unit in a good and workmanlike manner, the Vendor shall provide a warranty for a period of two years from registration for faulty workmanship and defective material. ~~fashion, that there is no warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the Property or Unit other than as specifically expressed herein. Any common law duties and representations, any common law alternative and/or concurrent remedies, and any implied duties or implied warranties at common law or by sales material or by the sales representative are excluded from this Agreement and waived by the Purchaser.~~

The Purchaser further acknowledges and agrees that, without in any way limiting the generality of the foregoing:

i. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor for any other alleged deficiencies or defects of materials or workmanship;

ii. under no circumstances whatsoever shall the Purchaser or the Corporation be able to claim against the Vendor and any other entity or person related to or affiliated with the Vendor for any alleged deficiency or defects arising therefrom including, without limitation, claims arising in negligence or nuisance;

iii. neither the Purchaser nor the Corporation in respect of the common elements of the Condominium shall have any remedy or right of action whatsoever;

iv. the Purchaser in respect of the common elements of the Condominium hereby releases the Vendor, its servants, agents, employees, directors and officers from any and all remedies, claims and causes of action (including causes of action and negligence and nuisance and any rights that may be taken against the Vendor by third party proceedings). In addition, the Purchaser acknowledges that he or she will not have any claim for damages or nuisance arising from any delay in completing the common elements; and

v. the Purchaser agrees that the terms of this paragraph and Section constitute and may be pleaded by the Vendor or any of its servants, agents, employees, officers, professional consultants, trades and suppliers and any action brought against any of them by the Purchaser or the Corporation as a complete defence, including the defences of waivers, estoppel and release.

The Vendor shall complete the common elements of the Condominium as soon as is reasonably practicable, but the failure of the Vendor to complete the common elements as aforesaid as soon as reasonably practicable or beyond the minimum standards required by the Municipality in order to permit occupancy thereof (as applicable) on or before the Occupancy Date shall in no event entitle the Purchaser to refuse to take possession of the Unit and/or close the within transaction, or to fail to remit to the Vendor the entire amount of purchase monies required to be paid by the Purchaser hereunder, or to maintain any holdback of any part of the purchase price or of the occupancy fee.

The Vendor is not responsible for the repair and/or rectification of any work resulting from ordinary settlement of the Property or the Condominium including (but not limited to) driveways, walkways, internal roads, patio stones, sodded areas, or for any damage to improvements or decorations caused by warpage,

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twisting or material shrinkage. The Purchaser further acknowledges and agrees that the Vendor shall not be liable for any secondary or consequential damage (of any kind whatsoever) resulting from any defects in material design or workmanship related to the development or construction of the Condominium. The Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage. Without limiting the generality of any other provisions of this Agreement, from and after the Occupancy Date and continuing after the Closing Date, the Vendor shall not be responsible for any damage to any improvements, fixtures, furnishings or personal property made by the Purchaser to the Unit (including, without limitation, the Purchaser's Work) resulting from (i) any act or omission to act of the Vendor or anyone under its direction or control, in completing outstanding matters of, or deficiencies in construction, (ii) any damage or delays and attendant costs caused by the Purchaser or any person with whom the Purchaser has had direct dealings for the upgrading and/or installation of materials or equipment or (iii) any damage caused by the use of the Property by the Purchaser, or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees of the Purchaser.

Without limiting any other provisions of this Agreement, any arrangements by the Purchaser directly with subcontractors or others for upgrading and/or installation of materials or equipment does not form part of this Agreement, and the Vendor shall have no responsibility therefor whatsoever under this Agreement. Such upgrading and/or installation may be carried out only after the Purchaser obtains the Vendor's written consent concerning the date(s) and the exact nature of the work to be done, and the Purchaser shall comply with the Vendor's requirements in order that completion of the Property and the condominium registration not be delayed. Where such direct Purchaser upgrading and/or installation arrangements are so undertaken, the Vendor shall not be responsible for any delays in completion of the Unit (including any delays in having the Property substantially completed sufficient to permit occupancy thereof by the Occupancy Date, or the Closing Date, as the case may be) nor for the attendant costs, inconvenience and damages to the Purchaser occasioned thereby. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss, injury or death to or of a person or property of any person or of the Purchaser or any of or by any employees, servants, officers, directors, representatives, agents, patrons, tenants, guests, invitees or licensees or anyone else for whom at law the Purchaser is responsible who have entered on the Unit or the common elements or any part of the Condominium of which the Unit and the common elements form a part whether with or without the authorization, express or implied, of the Vendor or in consequence of any upgrading and/or installation performed following any such entrance.

Notwithstanding anything contained in this Agreement to the contrary, if construction of the Unit in the manner required hereunder is not completed on or before the Occupancy Date or any extension thereof as hereinbefore contemplated, for any reason except for the Vendor's wilful neglect, or if the Purchaser cannot take possession of the Unit on the Occupancy Date by reason of any fire, damage or other perils, hazards or damages whatsoever occasioned thereto, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by the Purchaser in obtaining alternate accommodation pending the completion or construction of the Unit or the rectification of the damage, nor for any costs incurred in having to store or move the Purchaser's furniture or other belongings pending such completion or rectification work.

The Purchaser acknowledges that its rights and remedies and the limitations thereto are fully set forth in this Agreement, and the Purchaser has no other causes of action of claims or remedies except as set out in this Agreement.

6. **Inspection of Unit**

(a) The Purchaser (or the Purchaser's designate) will meet with a representative of the Vendor at the Unit on or before the Occupancy Date or the Closing Date, as the case may be, to conduct a final Unit inspection. The Purchaser shall not be entitled to examine the Unit except when accompanied by a representative of the Vendor. The Purchaser agrees to comply with all regulations under the Occupational Health & Safety Act, including the wearing of head and foot protection and such other safety apparel as designated by the Vendor and the Purchaser agrees to indemnify the Vendor against any fines incurred as a result of non-compliance with these provisions by the Purchaser. The Vendor agrees to provide the Purchaser (or the Purchaser's designate) with at least three (3) days' prior notice of the final Unit inspection, which shall be conducted at a mutually convenient time prior to the Occupancy Date or the Closing Date, as the case may be. During the final Unit inspection, the Purchaser and the Vendor agree to list any incomplete, damaged or deficient items with respect to the Unit and which list shall be executed by the Purchaser as good and valid evidence thereof (the "**Vendor's List**"). The Purchaser agrees that such items as are included on the Vendor's List by the Vendor represent the balance of work to be completed by the Vendor with respect to the Unit and the Purchaser agrees that no further request for completion of items may be maintained by the Purchaser, and this shall serve as a good and sufficient release of the Vendor in that regard. Except as aforesaid, the Purchaser agrees that prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser, their agents or representatives will not, in any circumstances enter onto the Property or the Unit except at the request of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and a breach of 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. In the event the Purchaser sends a designate to conduct the final Unit inspection in the Purchaser's place, the Purchaser shall first provide the Vendor with confirmation of the identity and contact information for such designate for these purposes, failing which the Purchaser shall be required to attend

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personally. In the event that the Purchaser appoints such designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the same force and effect as if executed by the Purchaser directly. The Purchaser further agrees that the Vendor shall have the right to enter the Unit after completion of the transaction in order to complete such items as are included in the Vendor's List. In the event the Purchaser (or the Purchaser's designate) has failed to complete the final Unit inspection and execute the Vendor's List created pursuant thereto, as aforesaid, on or before the Occupancy Date or the Closing Date, as the case may be, the same shall constitute a breach of 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.

(b) Prior to the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall not be entitled to do or cause to be done any work, installation, improvement or alteration to the Unit or the common elements, in default of which, the Vendor shall have the right to either charge the Purchaser on the Occupancy Date or on the Closing Date, as the case may be, for all costs and expenses incurred by the Vendor in removing or rectifying all work done by the Purchaser, in such amounts as determined by the Vendor in its sole discretion or, at the Vendor's sole option, to treat same as a breach of 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.

7. **Damages Before Closing**

The Unit shall be and remain at the risk of the Vendor until Closing. The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will not cover any betterments or improvements made to the Unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser shall arrange for their own insurance coverage with respect to same, effective from and after the earlier of the Occupancy Date or the Closing Date, as the case may be, all at the Purchaser's sole cost and expense. The Purchaser acknowledges that the Purchaser alone is responsible for the repair and replacement of all improvements and betterments made or acquired by the Purchaser within or upon the Unit. On or before the earlier of the Occupancy Date or the Closing Date, as the case may be, the Purchaser shall provide to the Vendor, evidence satisfactory to the Vendor of the Purchaser's insurance with respect to the Unit, including insurance on any improvements and the Purchaser's personal property as well as evidence of liability coverage in an amount of not less than $5,000,000.00, and as required pursuant to the Declaration.

8. **Access by Vendor for Maintenance and Completion**

(a) Notwithstanding the transfer of title to the Unit or the occupancy of the Unit by the Purchaser, as the case may be, the Vendor or its duly authorized agents shall have free access at all reasonable times to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or of any servicing or installations in connection with the Unit or the common elements or any other unit in the Condominium and this right shall be in addition to any rights and easements in favour of the Vendor under the Act. A right of entry in favour of the Vendor for a period up to, but not exceeding, five (5) years similar to the foregoing may be included in the Transfer/Deed of Land provided for the Unit on Closing.

(b) The Purchaser shall not interfere with the completion by the Vendor of other units and the common elements. Until all the units are completed and sold, the Vendor may make such use of the unsold units and the common elements as may facilitate such completion and sale, including but not limited to maintenance of a sales office, the showing of the units and the display of signs.

9. **Acceptance of Title by Purchaser**

(a) The Purchaser agrees to accept title to the Unit subject to the following, provided that if such restrictions, encumbrances, agreements, rights and/or easements hereafter noted have not been determined when the Purchaser receives a Transfer of title to the Unit, such Transfer will contain a covenant by the Purchaser to grant such restrictions, rights and/or easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same:

(i) Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in the Acknowledgment;

(ii) registered or unregistered restrictions or covenants that run with the Lands, encroachment agreements, existing encroachments from nearby properties, and/or conditions that run with the Lands;

(iii) one or more shared facilities agreements with neighbouring condominiums/proposed condominiums;

(iv) easements, rights-of-way, leases, agreements and/or licences now registered (or to be registered hereafter) which are required by the Municipality or any other authority, commission or corporation or required by the Vendor, for public access to any private park

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area(s), if any, walkways, if any, and/or open space, if any, located on the Condominium lands (or on any adjacent or neighbouring properties), or with regards to the supply and installation of utility services, drainage, telephone services, telecommunication services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Condominium (or on any adjacent or neighbouring properties), and including, without limitation, any easement(s) which may be required by the Vendor, or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes;

(v) registered or unregistered agreements with any Governmental Authority and registered agreements with any utilities, service providers and/or with local ratepayer associations, including without limitation, any development, site plan, subdivision, engineering and/or other municipal agreement (or similar agreements entered into with any Governmental Authorities) (with all of such agreements being hereinafter collectively referred to as the "Development Agreements");

(vi) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Unit(s) (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Occupancy Date, if applicable), as soon as reasonably possible after the completion of this transaction;

(vii) any by-law, regulation, restriction, easement, noise attenuation provision, environmental notice, warning, restrictive covenant, lease, license or other agreement relating to the use or development of the Condominium;

(viii) any easement, right of re-entry, lease, license or other agreement relating to the installation, operation, maintenance and repair of any installation or feature which is part of the common elements of the Condominium;

(ix) any agreement which is necessary for the operation, maintenance or repair of the Condominium;

(x) a temporary easement and right of re-entry in favour of the Vendor for the purpose of completing construction and sales of the Condominium and complying with its obligations pursuant to any agreement with any Governmental Authority;

(xi) any restrictive covenant or building or other restrictions relating to the Unit or the Condominium, including, without limitation, the restrictions relating to Exclusivity Rights as more particularly set out in this Agreement and in the Condominium Documents;

(xii) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;

(xiii) official plan and/or zoning amendments passed by any Governmental Authority;

(xiv) any agreement or lease agreement between the Corporation or the Vendor and any provider of a service(s) and/or mechanical or other equipment for the Condominium or the unit owners in the Condominium, including, without limitation, any agreement or lease between the Corporation and the Vendor or a related entity with respect to the leasing of equipment servicing the Condominium and the units;

(xv) all instruments registered against the title to the Property and/or the Unit and for which the Vendor does not have any obligation to delete from or obtain a discharge of same from the title;

(xvi) any restrictive covenants and building restrictions affecting the Condominium or the Unit, whether contained in any of the aforementioned agreements, easements, licences, rights or other title instruments and/or whether registered at the time of execution of this Agreement or at any time prior to the Closing Date, which restrictions shall be set out herein, as amended in accordance with the terms of this Section, and the Purchaser agrees to comply with same, and agrees that such restrictive covenants and building restrictions may be contained in the Transfer to the Purchaser and that the Purchaser shall include such restrictive covenants and restrictions in any agreement of purchase and sale relating to the Unit entered into by the Purchaser as vendor;

(xvii) any reservations contained in the original Crown Patent for the Lands or any portion thereof;

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(xviii) any certificate of property uses pertaining to any record of site condition or modified generic risk assessment or any similar or like registration having regard for any applicable environmental legislation;

(xix) any other title qualifications that do not materially adversely affect the use, enjoyment or marketability of the Unit;

(xx) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium; and

(xxi) as to minor breaches in any of the forgoing that have been remedied or are in the process of being remedied as established by a statutory declaration of an officer or director of the Vendor.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit a release or discharge of (or an amendment to) any of the aforementioned items referred to in subparagraph 9(a) hereof, nor shall the Vendor be obliged to have any of same deleted from the title to the Unit or common elements, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy itself as to compliance therewith and the Vendor shall not be obligated to provide any evidence or assurance of compliance whatsoever in connection with same. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements and all other items subject to which the Purchaser is obligated to accept the title to the Unit and the Condominium as set out herein. The Purchaser further acknowledges and agrees that the retention by the Municipality within which the Unit is situate, or by any of the other Governmental Authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other Governmental Authorities) intended to guarantee the fulfillment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television, telephone or internet system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Closing Date.

(d) The Vendor shall be entitled to insert in the Transfer/Deed of Land for the Unit, or register by separate instrument, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on Closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licenses, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

(e) The Vendor shall be entitled to a vendor's lien for the Unpaid Balance, or any interest thereon, and for any other adjustments required to be made by the Purchaser pursuant to the terms of this Agreement and not made at the time of Closing. The Purchaser hereby consents to registration of the Vendor's lien provided for herein, and the Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's lien within a reasonable time after receipt by the Vendor of the final advance of the monies secured by the Vendor's lien.

(f) The Purchaser shall retain a solicitor in good standing with the Law Society of Upper Canada to represent the Purchaser, and shall cause such solicitor to notify the Vendor's solicitors that they have been retained not less than thirty (30) days prior to the earlier of the Occupancy Date or the Closing Date, as the case may be. The Purchaser agrees to advise the Vendor's solicitor within thirty (30) days prior to the Occupancy Date, as to how title will be taken, failing which, the Vendor is hereby directed to engross title in the name of the Purchaser(s) named in this Agreement and the Vendor's solicitors shall be entitled to charge a fee of Five Hundred ($500.00) Dollars, plus HST, in order to make any subsequent changes thereto. The Purchaser agrees to accept any changes required to the unit number of the subject property as a result of the registered plan of condominium or otherwise as determined by the Vendor or the Municipality or the applicable postal service.

(g) The Purchaser is responsible for obtaining its own occupancy permit or other occupancy authorization from the Municipality and shall satisfy itself that occupancy is permitted by the Municipality on the Occupancy Date or the Closing Date, as the case may be. The Vendor shall not be liable for any damages the Purchaser may suffer in the event the Purchaser is unable to obtain same.

(h) The Purchaser further agrees to accept the Vendor's solicitors' personal undertaking to discharge any mortgages, liens or encumbrances against the Unit or common elements that the Purchaser is

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not assuming, and to close the within transaction on the Closing Date notwithstanding such mortgages, liens or encumbrances, and on the basis of same.

(i) The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Occupancy Date or on the Closing Date.

(j) The Purchaser hereby acknowledges and agrees that the provisions of this Section 9 shall not merge on the Closing Date and the Purchaser further agrees to execute and deliver any documents on the either or both of the Occupancy Date and the Closing Date required by the Vendor to give effect to this Section 9 or to evidence the survival of the terms herein set out.

10. **Vendor's Covenants**

The Vendor hereby covenants as follows:

(a) To take all reasonable steps to sell the Units included in the Property without delay other than any unit to be leased by the Vendor. In that regard, the Vendor hereby specifically reserves to itself the right to lease any of the units that are not sold from time to time in the Condominium project in accordance with the terms of the registered Declaration and By-laws. This right of the Vendor shall apply to each and every unit in the Condominium project that is unsold from time to time and the Vendor hereby specifically declares that it intends to lease such unsold units as it may see fit. The Vendor may accept bona fide offers or options to purchase on leased units to close upon expiration of such a lease.

(b) To-take all reasonable steps to deliver to the Purchaser a registerable deed or transfer of the Unit without delay.

(c) To hold in trust for the Corporation the money, if any, that the Vendor collects from the Purchaser on behalf of the Corporation.

The covenants of the Vendor in this paragraph contained are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. Any breach by the Vendor of the foregoing covenants shall only entitle the Purchaser to such remedies as may be available under the Act and no other remedies or rights with respect thereto.

11. **Liability and Indemnity**

The Purchaser covenants as follows:

(a) (i) The Vendor shall not be liable for any death or injury arising from or out of any occurrence in, upon, at, or relating to the proposed Condominium, or the Unit or damage to property of the Purchaser or of others located on the proposed Condominium or the Unit, nor shall it be responsible for loss of or damage to any property of the Purchaser or others from any cause whatsoever, even if any such death, injury, loss or damage results from the negligence or willful acts or omissions of the Vendor, its agents, servants or employees, or other persons from whom it may at law be responsible. Without limiting the generality of the foregoing, the Vendor shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, flood, snow or leaks from any part of the proposed Condominium or the Unit or from the pipes, appliances, plumbing, works, roof or subsurface of any floor or ceiling or from the street or any other place or by dampness or by any other cause whatsoever, The Vendor shall not be liable for any such damage caused by other owners, occupants, tenants, invitees or any other person on the proposed Condominium or by occupants of adjacent property thereto, or the public, or caused by construction or any private, public or quasi-public work. All property of the Purchaser kept or stored on the proposed Condominium or on or in the Unit shall be kept or stored at the risk of the Purchaser only and the Purchaser shall indemnify the Vendor and save it harmless from and against any claim arising out of any damages to the same, including without limitation, any subrogation claims by the Purchaser's insurers; and

(ii) Notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall protect, indemnify and hold the Vendor harmless from and against any and all loss (including loss of all occupancy payments payable by the Purchaser pursuant to this Agreement), claims actions, damages, liability and expense in connection with loss of life, personal injury, damaged property or any other loss or injury whatsoever arising from or out of this Agreement, or any occurrence in, upon or at the proposed Condominium, or the Unit, or the occupancy or use by the Purchaser of the proposed Condominium or any part thereof or the Unit, or occasioned wholly or in part by any act or omission of the Purchaser or by anyone permitted to be on or in the proposed Condominium or the Unit by the Purchaser, even if the Vendor or any of its servants, agents, employees or others from whom it is in law responsible has acted negligently. If the Vendor shall, without fault on its part, be made a party to any litigation commenced

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by or against the Purchaser, then the Purchaser shall protect, indemnify and hold the Vendor harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the Vendor in connection with such litigation.

12. **Examination of Title by Purchaser**

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof, except such as are in the Vendor's possession or under its control. The Purchaser shall be allowed until ten (10) days following notification that the Declaration and Description have been registered to examine title at their own expense. If within that time they shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove or for which the Purchaser is unable to obtain title insurance coverage as set out below and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions. With respect to title insurance, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned, with the Purchaser being solely responsible for the cost of such title insurance policy.

13. **Adjustments and HST**

Notwithstanding anything to the contrary herein, all adjustments herein shall be capped at $35,000.00.

The Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect of the Unit either on the Occupancy Date and/or the Closing Date, as the case may be, and as determined by the Vendor. The Purchase Price shall be adjusted to reflect the following items (as well as such other items as may be appropriately adjusted as between the Vendor and the Purchaser), which shall be apportioned and allowed to the Closing Date with the day itself apportioned to the Purchaser:

(a) assessments prepaid or owing for contribution towards the common expenses, and/or reserve fund and/or the monthly occupancy fee;

(b) an amount equal to that estimated by the Vendor to be payable by the Purchaser for the Purchaser's Unit contribution towards the common expenses and/or reserve fund of the Corporation for a period of up to three (3) months, which sum shall be paid directly to the Corporation on Closing and credited by the Corporation to the Purchaser, as well as an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any amounts that the Vendor is required to contribute on account of the initial reserve fund for the Condominium. Such sums, or part thereof forming part of the reserve fund and/or reimbursement to the Vendor on account of the Vendor’s contribution toward the reserve fund, shall be in addition to any common expenses otherwise payable to the Corporation. In addition, the Purchaser agrees to deliver, as required by the Vendor, either a series of twelve (12) post-dated cheques or execute a pre-authorized chequing plan, in an amount estimated by the Vendor to be payable monthly to the Corporation on account of common expenses;

(c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's Unit share of any unearned or accrued premiums determined by the Purchaser's proportionate contribution to the common expenses;

(d) realty taxes (including local improvement rates) on the Unit, and at the Vendor's option, said realty taxes shall be estimated by the Vendor for the calendar year in which this transaction is completed and all or part of the next ensuing year, as determined by the Vendor, in its sole discretion, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained, and the Purchaser shall forthwith pay to the Vendor any balance owing to the Vendor upon receiving notice in writing thereof and the Vendor shall forthwith return to the Purchaser any balance owing to him. If realty taxes are owing for a period when the Condominium project was assessed and taxed as one structure and not as individual units, then the adjustment of realty taxes shall include an amount calculated to attribute a portion of such realty taxes owing on the Condominium project to the Unit based on its common interest or alternately, equally among all of the units or in such other manner as the Vendor may elect, acting reasonably. Alternatively and at the Vendor’s option realty taxes shall not be adjusted until individual unit assessments have been made. The Purchaser shall be responsible for all monthly realty tax reassessments and/or supplementary or omit tax bills relating to the Unit from and subsequent to the Occupancy Date or the Closing Date if there is no Occupancy Date;

(e) any other prepaid or current expenses for utilities or services, such as gas, electricity, fuel, water or any other service built in or to be built in for the benefit of the Purchaser and/or based on requirements of the Municipality or any other Governmental Authority, which cost shall be adjusted by attributing to the Purchaser's Unit its share of such expenses, as determined by its common interest;

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(f) Any works pertaining to earth moving for the Municipality or Governmental Authority, and/or road connections, retaining walls, and associated infrastructure pertaining to the connection of the Condominium to regional and municipal roads;

(g) Any work required by the region or Municipality pertaining to the publicly accessible open space lands located to the south of this Condominium and the Standard Condominiums and which open space is expected to be conveyed to one or more Governmental Authorities as an environmentally protected area;

(h) any charges paid by the Vendor to the Municipality or Governmental Authority or any utility or service provider or supplier, including without limitation any charges for municipal road construction and the installation, connection, energization, meter or meter installation of water, sanitary, gas, hydro or other services, as well as the cost of any check meters and ancillary devices and equipment related thereto and the cost of installation thereof. The Purchaser acknowledges and agrees that should any of the aforementioned charges be issued on a bulk basis, the Vendor shall have the right at its sole discretion, to apportion the cost of such charges to the Purchaser on a proportionate basis and that such amounts may not be the total amounts for which the Purchaser is or will be responsible in connection with such services or costs;

(i) the real estate transaction levy surcharge charged by The Law Society of Upper Canada and to be paid by the Vendor to its solicitors for this transaction;

(j) the amount of any and all development charge(s), education development charge(s), parkland levies, conservation authority levies, expropriation levies and/or any other levy, contribution to and/or costs relating to municipal works on lands, infrastructure and/or streets in the vicinity of the Lands (whether such works are performed by or on behalf of or for the benefit of the Vendor, the Municipality or others), costs relating to required changes to the Condominium and/or the Property or any portion thereof as stipulated by the Municipality and/or any other level of government or other authority, and/or all other similar charges, levies, taxes, contributions and/or costs (collectively, the "**Levies**") incurred by or on behalf of the Vendor and/or assessed against or attributable to the Unit (or assessed against the Property or any portion thereof), pursuant to The Development Charges Act S.O. 1997, as amended from time to time, or The Education Act S.O. 1997, as amended from time to time, The Planning Act, R.S.O. 1990, as amended from time to time, or any other legislation, or law, or required by the Municipality and/or any other level of government or other authority, and which Levies are ultimately paid or incurred by the Vendor, and including without limiting the generality of the foregoing, the amount of any increases in existing Levies since the date of this Agreement as well as new Levies that were not exigible as of as of the date of the within Agreement with respect to the Property and which are subsequently assessed against either the Property or attributable to the Unit. 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 Levies be issued on a bulk basis, the Vendor shall have the right, in its sole discretion, to apportion the Levies to the Purchaser on a proportionate basis, based on either the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration, or by such other method of allocation determined by the Vendor;

(k) the cost of providing a status certificate in the maximum amount allowed pursuant to the Act;

(l) the Vendor's solicitor's charges for each evidence of compliance delivered to the Purchaser, or its solicitors, pursuant to subsection 81(6) of the Act;

(m) if the Purchaser is a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest that would otherwise have been payable to the Purchaser, in accordance with the ITA;

(n) the Purchaser shall be responsible to pay to the Vendor on either the Occupancy Date or the Closing Date, as same is determined by the Vendor, the Purchaser's estimated share of any security or letter of credit or fee required to be provided or be paid to any utility or service provider or supplier for the procurement and provision of any utility or other service to the Unit or common elements. The Purchaser shall also be required to pay to the Vendor, if deemed necessary by the Vendor, an amount as estimated by the Vendor, representing two (2) months hydro consumption for the Purchaser' Unit. Said amounts will be delivered either to the Condominium Corporation or to the prevailing utility or service supplier, as determined by the Vendor, if collected;

(o) in the event that the Vendor is required to pay or provide cash security or a letter of credit with respect to the realty taxes for a period subsequent to Closing, the Purchaser shall pay to the Vendor as an adjustment, either on the Occupancy Date or on the Closing Date, as same is determined by the Vendor, the amount of such security or letter of credit relating to realty taxes payable after closing, as well as the amount of any cash security or letter of credit (including, without limitation, letter of credit fees) otherwise provided by the Vendor to the Municipality or other governmental authority in connection with the development of the Condominium. The Purchaser acknowledges and agrees that should the Vendor pay such amounts or provide security on a bulk basis, the Vendor shall have the right to apportion the cost of such amounts paid or security provided to the Purchaser on a proportionate basis, based on the Purchaser's percentage interest in the common elements as set out in Schedule "D" to the Declaration;

(p) the Purchaser shall be solely responsible to pay to the Vendor, either on the Occupancy Date or on the Closing Date, an amount as determined by the Vendor in its unfettered discretion, for any account set up

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fee or ownership change administration fee or similar fee, with respect to the set-up of an individual realty tax account for the Unit or for an individual account with respect to any utility or service supplier;

(q) any new taxes or any increase in any existing taxes assessed against or attributable to the Unit or this sale transaction by the Federal, Provincial or municipal governments after the date of execution of this Agreement;

(r) Subject to the terms of this Agreement, the Purchaser shall be responsible to pay all business transfer tax, value added tax, Goods and Services Tax, HST, sales tax or similar method of taxation imposed by any federal, provincial and/or municipal government and applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part. In the event such tax or taxes are applied to the sale of the Unit or any component, building material or service relating to the construction of the Unit, or the property in which the Unit forms a part, after the date of execution of this Agreement or in the event the amount of any existing or imposed taxes are increased, then notwithstanding anything herein contained the Purchaser agrees that the Purchase Price has been computed without taking into account any such tax or increase in tax and that the Purchase Price shall be increased by the amount of such tax or increase in tax exigible or payable, whether by the Vendor or Purchaser in respect of the Unit or with respect to any component, building material or service relating to the construction of the Unit or the property in which the Unit forms a part, the amount of such tax and/or increase is to be paid on the Closing Date. The same shall also apply in the event that any taxes are combined by a government to cause such increase;

(s) any amounts which remain unpaid and owing to the Vendor;

(t) the Vendor’s solicitor’s reasonable discharge fee, plus all HST thereon, per mortgage in connection with the payout and discharge of the existing mortgage(s) registered against the title to the Unit;

(u) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with any reserve fund study or similar report and/or any other studies, assessments and/or reports obtained by the Vendor and/or such related or affiliated company or other entity for the benefit of the Corporation and/or the Condominium;

(v) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the installation of a security system for the Condominium, including, without limitation, all cameras, monitoring equipment and alarm systems;

(w) an amount equal to the Purchaser’s proportionate share (as determined by the Vendor) of any costs, expenses and/or fees incurred by the Vendor and/or any company or other entity related to or affiliated with the Vendor in connection with the leasing of the generator(s) and/or boiler(s) for the Condominium prior to registration of the Declaration and Description; and

(x) any other adjustments provided for in this Agreement or any Schedules or Amendments with respect thereto.

If any of the adjustments to be made on the Occupancy Date and/or the Closing Date, as the case may be, cannot be accurately determined at the respective time, then the Vendor may estimate and the adjustment to be made and the Purchaser shall accept such estimate; there shall be a later and final adjustment when all the items to be adjusted can be accurately determined. All proper readjustments shall be made after the Occupancy Date and/or Closing Date, as the case may be, if necessary, and forthwith upon request. Any monies owing to the Vendor pursuant to such readjustment or as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations set out in this Agreement shall be payable upon written demand by the Vendor and shall bear interest from the date of written demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance, and shall be a charge on the Unit until paid and such charge shall be enforced in the same manner as a mortgage in default. The balance due on the Occupancy Date and/or the Closing Date shall be paid to the Vendor’s solicitor or those parties as may be directed by the Vendor and/or its solicitor, by way of wire transfer, or, in the sole and absolute discretion of the Vendor’s solicitor, by way of certified cheque(s) drawn on a solicitor’s account and made payable to the Vendor’s solicitor.

The hot water heater and tank, if applicable, are not included in the Purchase Price. The Purchaser agrees to either execute a rental contract for the said heater and tank, if applicable, or if the heater and tank are not rental, the Purchaser shall pay, or reimburse the Vendor the cost of the said heater and tank, such cost to be absolutely determined by statutory declaration sworn on the part of the Vendor. The Purchaser shall, from the earlier of the Occupancy Date or the Closing Date, as the case may be, take all necessary steps to assume sole responsibility for all charges for hydro, water, gas and other services attributable to the Unit, unless same are included as a proposed common expense. The Purchaser shall be required to execute and deliver on the Occupancy Date or thereafter as required by the Vendor, all documents, agreements, deposits and any cheques or pre-authorized chequing plan as required by the Vendor related to the sub-metering of any utility. The Vendor shall be entitled to rebates issued or paid by any utility provider or by any entity supplying the various equipment to the Unit, even though such equipment may be of a rental/leased nature. The Purchaser agrees that they will execute any form of acknowledgement, direction, consent or assignment required by the Vendor in order to evidence the Vendor's entitlement to any such rebate. The Purchaser agrees to permit access to the Unit after the Occupancy Date and/or the Closing Date, if necessary, forthwith

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upon request, in order to permit the installation of any devices required with respect to submetering of any utility.

The Purchaser acknowledges and agrees that a two hundred and fifty dollar ($250.00) administrative fee, plus taxes, shall be charged to the Purchaser for each cheque paid with respect to each deposit payable pursuant to this Agreement, or the occupancy fee, which is returned "N.S.F." or upon which a "Stop Payment" has been ordered and such administrative fee shall be paid within five (5) days of written demand therefore. In addition, the Purchaser shall pay any legal fees and disbursements charged by the Vendor's solicitors, plus applicable taxes, on a substantial indemnity basis, in connection with the Purchaser's failure or delay in complying with the terms of this Agreement, which fees shall be paid within five (5) days of written demand by the Vendor or its solicitors.

In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitor on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Unit, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser agrees to pay to the Vendor's Solicitors, either on the Occupancy Date or the Closing Date, as determined by the Vendor, their legal fees in the amount of $500.00 plus taxes, per request, in order to implement any such change, but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

The interest component of the monthly occupancy fee shall be adjusted on the Closing Date for any discrepancy between the interest rate employed in the calculation of the monthly occupancy fee and that actually payable pursuant to the provisions hereof. In addition, on the Closing Date, the Purchaser and the Vendor covenant and agree to deliver mutual undertakings to readjust the realty tax component of the monthly occupancy fees paid, as soon as the final realty tax bill in respect of the Unit (including all supplementary assessments with respect thereto covering the period of time from the Occupancy Date to the Closing Date) has been determined or issued by the tax department of the Municipality, so as to accord with the amount actually assessed against the Unit.

Notwithstanding any other provision contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST (as hereinafter defined) exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or upgrades 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 as required by the Vendor.

14. **Management of the Condominium Project**

The Vendor or a management company to be named by the Vendor shall manage the Condominium. The Vendor or the management company shall enter into a management agreement with the Corporation and the management fees, together with all proper common expenses incurred in connection with such management, shall be a common expense and will be included with the monthly common expenses.

15. **Condominium Documents - Disclosure Statement**

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder, together with all other documents required to be delivered with the Disclosure Statement as required by the Act. In the event the Purchaser subsequently requests an additional copy or copies of the Disclosure Statement, the Purchaser shall pay the Vendor, at the time of such request, a One Hundred ($100.00) Dollar administrative fee, plus taxes, for each additional copy so requested.

16. **Modification of Condominium Documents**

The Vendor shall have the right from time to time prior to the Closing Date or any extension thereof to modify the proposed Condominium Documents and/or to provide such additional material and information, to comply with the requirements of the Act, as may be amended from time to time, the Ministry of Consumer and Business Services or any other ministry, the Office of Land Titles, Municipality, or other authorities, agencies or commissions having jurisdiction.

The Purchaser acknowledges and agrees that the registered Condominium Documents and final budget statement for the one year period immediately following registration of the Condominium may vary from the proposed Condominium Documents and budget statement given to the Purchaser when entering into this Agreement, and in the event there is a Material Change to any of the documents comprising the Condominium Documents as such term is defined in Section 74 of the Act, then the Purchaser’s only remedy shall be rescission of this Agreement in accordance with the Act and the return of its deposits paid under this Agreement and the Purchaser shall not be entitled to and shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary. The Purchaser further agrees to accept title to the Unit subject to the Condominium Documents being registered on title, notwithstanding that they may be amended and varied from the proposed Condominium Documents which were given to the Purchaser when entering into this Agreement.

Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor’s reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and

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which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year may be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The budget and common expenses applicable to each unit (to the extent that such common expenses include utility costs) shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

17. **Planning Act**

This Agreement shall be effective to create an interest in the property only if the subdivision control provisions of the Planning Act (Ontario) are complied with by the Vendor on or before Closing, failing which (in the absence of any extension of the Closing Date established or implemented by the Vendor) this Agreement shall automatically be terminated and have no further force and effect, and the Vendor and the Purchaser shall have no further liabilities or obligations hereunder, and neither of the parties hereto shall thereafter be liable to the other for any costs and/or damages that may be suffered or incurred by them in connection with this Agreement or the termination thereof as a result of any such non-registration of the Condominium, save and except for any damage to the Unit by the Purchaser during the Occupancy Period. Upon such termination all deposits paid towards the Purchase Price shall be refunded to the Purchaser, together with all interest earned and accrued thereof at the rate prescribed by the Act and save for any damage to the Unit or any portion thereof.

18. **Agreement not to be Registered**

The Purchaser acknowledges that this Agreement confers a personal right only and not any interest in the Unit or Property and that registration of this Agreement, a Caution, a Certificate of Pending Litigation or any other instrument of any kind whatsoever against title to the Unit or Condominium prior to Closing, is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers and could, for example, obstruct mortgage advances and/or impede the registration of the Condominium. Therefore, the Purchaser covenants and agrees prior to Closing, not to register this Agreement, a caution, a Certificate of Pending Litigation or other instrument against title to the Unit or the Condominium, and further covenants and agrees not to give, register or permit to be registered any encumbrance against the Unit or sell or make any other disposition thereof until after Closing. In the event that this Agreement of Purchase and Sale, a caution a Certificate of Pending Litigation or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, the Purchaser shall be in default pursuant to the provisions of this Agreement and, in addition to all other rights and remedies available to the Vendor, including, without limitation, the Vendor's right to terminate this Agreement and the transaction described herein, the Purchaser hereby appoints the Vendor to be their true and lawful attorney for the purposes of removing the instrument from title including giving of any discharge, the lifting of any caution or the assignment of any rights pursuant to this Agreement, and the Purchaser shall bear all costs incurred by the Vendor in the pursuance of this function pursuant to this power of attorney. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any taxes thereon.

19. **Default**

(a) The Purchaser shall be deemed to be in default of this Agreement in each and every of the following events, namely:

(i) upon the non-payment of all or any portion of any amount payable pursuant to this Agreement on the date or within the time specified, regardless of whether or not demand has been made therefor;

(ii) upon the breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser, including, without limitation, the failure of the Purchaser to complete the Purchaser's Work as approved during the Occupancy Period ;

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Unit or Condominium prior to successful completion of this transaction on the Closing Date; or

(iv) upon the Purchaser (and if the Purchaser is more than one person then any one of the Purchaser) makes any assignment for the benefit of creditors or is adjudged bankrupt or insolvent by any court of competent jurisdiction under any legislation then in force, or takes the benefit of any act that may be in force for bankrupt or insolvent debtors, or shall go into liquidation, either voluntary or under an order of a court of competent jurisdiction, or otherwise acknowledges its insolvency;

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(b) If any default by the Purchaser occurs under this Agreement, the Vendor shall have the right, in addition to any other rights or remedies which the Vendor may have, to both terminate this Agreement as well as retain all monies paid by the Purchaser to the Vendor hereunder (including all deposits paid), together with any interest earned thereon. The deposit and further deposit(s) are expressly deemed to be deposit monies only, and not partial payments. In the event the Vendor's solicitors are holding any of the deposits in trust pursuant to the Act and this Agreement, then in the event of a default by the Purchaser, the Vendor's solicitors are irrevocably authorized and directed to pay to the Vendor said deposits together with any interest earned thereon, provided the Vendor has delivered to its solicitors a certificate of an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the deposits and accrued interest, if any, which certificate shall serve as conclusive evidence of the facts set out therein. Thereupon the Purchaser hereby releases the said solicitors from any obligation to hold the deposit monies, if any, in trust and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies and accrued interest, if any, to the Vendor pursuant to the foregoing. Without prejudice to the Vendor's rights as to the retention of all monies paid by the Purchaser to the Vendor as aforesaid and in addition thereto, the Vendor shall have the right to recover from the Purchaser all costs, losses and damages arising out of default on the part of the Purchaser pursuant to this Agreement (which shall include, without limitation, the costs of the Vendor completing any of the Purchaser’s Work required to be completed in the sole and absolute determination of the Vendor together with a penalty of ten percent (10%) of the cost of such work performed by the Vendor) including interest thereon from the date of demand at the rate of twenty percent (20%) per annum, calculated daily, not in advance until paid. In the event this Agreement, in future, is amended for the benefit of the Purchaser and/or in order to induce the closing of the transaction by giving the Purchaser a credit or a reduction against the purchase price and the Purchaser fails to complete the transaction, all damages shall be assessed as if such amendment was not entered into.

(c) If the transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of deposits, the Purchaser shall, execute and deliver such documents affecting title to the Unit or Condominium or a release with respect to this Agreement or any agreement or document in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute such documents, the Purchaser hereby appoints and authorizes the Vendor as the Purchaser's true and lawful attorney to so execute the said documentation.

(d) It is understood and agreed that the rights contained in this Section 19 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity, or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement.

(e) If this Agreement is terminated after the Occupancy Date without default by the Purchaser, then:

(i) All deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser, provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser on account of the occupancy fee and the Vendor shall be entitled to retain from such deposits an amount apportioned to the Unit and the Purchaser on account of the Vendor’s legal fees relating to such termination and the return of the Purchaser’s deposits and interest as set out herein; and

(ii) The Purchaser acknowledges that the occupancy fee is paid for the benefit of the Purchaser's use of the Unit, and the Purchaser shall receive as a refund only the occupancy fee for the entirety of any month in which the Purchaser did not have control or use or possession of any part of the Unit after the date of termination.

For greater certainty, in no instance shall the Vendor be liable for any other costs or claims or damages whatsoever, including, without limitation, any loss of bargain, relocation costs, loss of use of deposit monies or for any fees, professional or otherwise, expended in relation to this transaction. The Purchaser acknowledges and agrees that the foregoing may be pleaded by the Vendor as an estoppel to any action brought by the Purchaser.

The Vendor may deduct by way of set off from any money payable to the Purchaser pursuant to this Section those sums payable by the Purchaser by reason of any default by the Purchaser prior to the date of termination and any other sums that are payable by the Purchaser under this Agreement, including other fees or costs where the Purchaser's liability for such sums predates the date of termination. The Vendor may also deduct from any money payable to the Purchaser a reasonable allowance, not to exceed $5,000.00 ~~(but in any case not less than $10,000)~~ as a security deposit for any damages caused to the Condominium by the Purchaser's occupancy therein.

The Purchaser's rights to terminate this Agreement and/or rescind this Agreement are for those events set out expressly in this Agreement and no others. Any other claim by the Purchaser shall

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be actionable only by way of a compensation claim. The Purchaser on behalf of the Purchaser and Corporation hereby releases the Vendor, its employees, officers, directors, owners, sales representatives, the Vendor's trades, experts and the Vendor's solicitors, the Vendor's related and affiliated corporations and the applicable Governmental Authorities from any and all causes of action against each and any of them (including but not limited to actions in contract, tort, real and personal property law, trust law, fiduciary duty, and unjust enrichment) except for any remedy explicitly given to the Purchaser against the Vendor either in this Agreement or by the Act and the Purchaser on its own behalf and on behalf of the Corporation covenants and agrees that no claim shall be made against any of the above-noted parties, save for the Vendor. The Purchaser acknowledges and agrees that all remedies available to the Purchaser are deemed to exclude: damages for mental distress, loss of enjoyment or loss of a personal preference or choice; punitive and/or exemplary damages; substantial indemnity costs; initiating or joining a class action proceeding against the Vendor and/or any person released herein and the Purchaser irrevocably elects to opt out of any class action against the Vendor and other persons released herein.

In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act and this Agreement, the Purchaser acknowledges that the Vendor and any undisclosed beneficiary, agent or other person or corporation, shall not be liable for any damages or costs whatsoever incurred by the Purchaser resulting from the termination of this Agreement including, without limitation, relocation costs, moving costs, professional fees and disbursements, opportunity costs, loss of bargain or other damages or costs incurred by the Purchaser, whether direct or indirect and the Purchaser further acknowledges that this provision may be pleaded by the Vendor as a complete defence to any claim, action or proceeding which may be made or brought against the Vendor and/or its agents and/or affiliates.

20. **Agreement Not to Merge with Transfer**

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the Closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. The Purchaser shall execute and deliver, when requested by the Vendor, one or more covenants or other documents incorporating the terms hereof. Provided however that all of the covenants, warranties and obligations contained in this Agreement to be performed by the Vendor, including title, shall merge on Closing and shall not survive same, save and except for the obligations of the Vendor to complete the Unit and common elements in accordance with the requirements hereof.

21. **Waiver**

No provision of this Agreement may be waived by either party except in writing. The waiver of any of the provisions hereunder shall not affect the right of either party to enforce all other provisions not so waived.

22. **Subordination of Agreement**

The Purchaser agrees that this Agreement shall be subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to all security given in support of any loans arranged by the Vendor, and to any easement, service agreement and other similar agreements made by the Vendor concerning the lands and also to the registration of all Condominium Documents. The Purchaser agrees to do all acts necessary and execute and deliver all necessary documents, both before and after Closing, as may be reasonably required by the Vendor from time to time to give effect to this undertaking and in this regard the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for the purpose of signing all documents and doing all things necessary to implement this provision.

23. **Time of Essence and No Representations etc.**

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulation, condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

The parties hereto agree that this Agreement represents the entire agreement between the parties hereto (and any other parties deemed to be bound by the provisions of this Agreement) and there are no representations, warranties, collateral agreements or conditions affecting this Agreement or the Unit other than as expressed herein in writing. The Purchaser acknowledges that the condominium development industry is complex and that while sales agents are knowledgeable about most issues regarding the purchase and construction of a new condominium unit, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser upon which the Purchaser relies and which were essential to the Purchaser's decision to purchase the Unit, except as are set forth herein in writing.

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In the event that the date for payment of any deposit required to be paid pursuant to this Agreement or the Occupancy Date or the Closing Date falls on a Saturday, Sunday or statutory holiday, then such date shall be automatically deemed to be amended to the next business day.

The Purchaser acknowledges and agrees that notwithstanding any rights which they might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

24. **Preparation and Cost of Registering Documents**

The Transfer is to be prepared at the expense of the Vendor on the Vendor's standard form. If required by the Vendor, the Transfer may contain a right of re-entry in favour of the Vendor, and covenants on the part of the Purchaser to comply with the stipulations set out in this Agreement, the covenants, conditions, provisions and restrictions set out in the Declaration, By-laws and Rules, and is to be executed by the Purchaser and prepared at the expense of the Vendor. The Transfer shall be registered forthwith on Closing at the Purchaser’s expense.

Notwithstanding the foregoing, in the event that the Purchaser desires to make any changes to the times and manner in which payment is to be made of any amounts due under this Agreement (subject to obtaining Vendor’s consent in its sole discretion) and/or to the documentation prepared in connection with the closing to take place on the Occupancy Date and/or the Closing Date but fails to inform the Vendor or the Vendor’s solicitor regarding any of the foregoing changes prior to the time that the interim closing package or final closing package (as the case may be) has been completed (even if the package has not yet been forwarded to, or received by, the Purchaser’s solicitor), then the Purchaser shall reimburse the Vendor, on either the Occupancy Date and/or on the Closing Date, for all administrative costs and fees, as well as all legal fees and ancillary disbursements, which may be incurred by the Vendor and/or charged by the Vendor’s solicitors in order to revise the interim closing package or final closing package (or any portion thereof) accordingly, and/or to reproduce and resend the interim closing package or final closing package (or any portion thereof) as the case may be, to the Purchaser or the Purchaser’s solicitor, but without there being any obligation whatsoever on the part of the Vendor or the Vendor’s solicitors to approve of or to implement any such changes so requested by the Purchaser, and with such legal fees of the Vendor’s Solicitors to be a minimum of $350.00 plus ancillary disbursements, plus HST and shall, at the option of the Vendor, either be included as an adjustment in favour of the Vendor on the Statement of Adjustments or where permitted by the Vendor’s solicitor, by way of certified cheque, on the Occupancy Date and/or the Closing Date, as the case may be.

25. **Tender and Other Matters**

Keys will be released to the Purchaser at the construction site or the Sales Office or the Head Office of the Vendor, as the Vendor in its absolute discretion determines, on the Occupancy Date or the Closing Date, as applicable, after receipt of all required funds and documents, unless otherwise specifically agreed in writing between the Vendor and Purchaser. The Purchaser agrees that the Vendor's advice that keys are available for release to the Purchaser constitutes a valid tender of keys on the Purchaser. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by fifteen minutes after five (5:15) p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario), however, the Purchaser shall satisfy all obligations of the Purchaser from and after the Occupancy Date as set out herein regardless of when the Purchaser actually picks up the keys.

On the Occupancy Date the Purchaser shall deliver to the Vendor a clear execution certificate in respect of the Purchaser's name and any person in whose favour the Purchaser has given its written direction to engross title, from the Land Titles Office where the Condominium is situate, and shall also provide the Vendor with such other information and documentation as may be required in order to enable the Vendor to obtain a clear execution certificate as aforesaid (or alternatively, to satisfy the Vendor's solicitor, in their sole discretion, that the Purchaser and any person in whose favour the Purchaser has given its written direction to engross title is/are not one and the same person as any particular execution debtor named in any given execution certificate).

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the tender provisions hereunder. 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 the Closing Date in order to validate or perfect the Vendor’s tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the terms herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in

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writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of an electronic wire transfer payable to the Vendor's solicitor's trust account.

Notwithstanding any other term to the contrary herein, in the event the Purchaser or their solicitor advise the Vendor or its solicitor, on or before the Occupancy Date or the Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his/her solicitor and may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law. The written statement by the Purchaser or his or her solicitor of an unwillingness or inability to close during a negotiation or within a written offer (even if purportedly or actually made without prejudice) is deemed nevertheless to be a "with prejudice" submission of an inability or unwillingness to close for the purposes of this Agreement.

26. **Gender and Number**

This Offer and its acceptance are to be read with all changes of gender and number as may be required by the context.

27. **Successors and Assigns**

Except as expressly herein provided, the Parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns. In the event that more than one party comprises the Purchaser herein, the obligations of such parties under this Agreement shall be joint and several, and any document executed by only one (1) party which comprises the Purchaser herein, shall bind all other parties comprising the Purchaser and each such party hereby grants a Power of Attorney to the other or others for any such purpose. The Vendor may assign this Agreement and its covenants and obligations herein to a third party, including, without limiting the generality of the foregoing, to any lender of the Vendor's, without the obligation to notify the Purchaser or any such assignment.

Where the Purchaser is a corporation, trust, partnership, limited partnership or other legal entity that is not a natural person, or where the Purchaser is buying in trust for a corporation to be incorporated or a trust, partnership, limited partnership or other legal entity to be formed, or where the Purchaser is buying in trust for another individual(s), the execution of this Agreement by the principal or principals of such corporation, trust, partnership, limited partnership or other legal entity, or by the person named as the Purchaser in trust for a corporation to be incorporated or other individual(s), as the case may be, shall be deemed and construed to constitute the personal guarantee of such person or persons so signing with respect to the obligations of the Purchaser herein. The naming of the beneficiary in the Agreement or the adoption or ratification of the Agreement by the beneficiary, by another party, or by a corporation, does not remove the liability of the Purchaser for any act of default before or after ratification. The beneficiary of the Purchaser's trust shall be deemed for all purposes to be the partner of the Purchaser, and shall be jointly and severally liable with the Purchaser to honour all of the obligations of the Purchaser and for damages for any act of default of the Purchaser and neither the Purchaser nor any beneficiary shall be entitled to plead such agency, trust relationship or other relationship as a defence to any liability hereunder.

The Purchaser further agrees that any person who takes title to the Unit as a beneficiary and/or pursuant to a direction or authorization signed by the Purchaser with the prior written consent of the Vendor, which consent may be arbitrarily or unreasonably withheld or delayed in the Vendor's sole and absolute and unfettered discretion, shall be deemed for all purposes to have signed this Agreement through the agency of the Purchaser, or to be the partner of the Purchaser(s), and to be bound by the Agreement. Notwithstanding any other term in this Agreement, the Vendor may demand as a condition precedent to the Vendor's obligation to complete the transaction on the Occupancy Date and/or the Closing Date that any person referred to as a beneficiary and/or in a direction or authorization as a person to be named as a transferee shall sign an acknowledgement on the Vendor's form agreeing to be bound by this Agreement. The completion of this Agreement on the Occupancy Date and/or the Closing Date without an acknowledgement is not a waiver of the Vendor's right to demand the acknowledgement. It is an act of default by the original Purchaser and transferee to refuse to provide the acknowledgement, and the Vendor may deliver on the Closing Date a transfer excluding such a transferee. If the Purchaser does not take title to the Unit or any portion thereof on the Closing Date, the Purchaser is nevertheless still jointly and severally bound with the transferee(s) for all of the obligations of the Purchaser after closing as if he or she had received title.

Without in any way limiting any of the foregoing terms or any of the obligations of any of the parties set out in this Section, the Vendor reserves the right to require, in the Vendor's sole and absolute discretion, any of the parties set out in this Section and/or any other party not referenced in this Agreement to execute and deliver to the Vendor a guarantee of the Purchaser's obligations hereunder in such form as is required by the Vendor and the Vendor shall be entitled to refuse to accept the Purchaser's offer of purchase until such time as such guarantee is provided by the party or parties of the Vendor's choice.

28. **Headings and Notice**

The headings to the clauses of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

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Any notice required to be given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, e-mail, facsimile machine or by ordinary prepaid post to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or as may be advised from time to time in writing, or to the address of the Unit after the Occupancy Date, and to the Vendor at 1275 Finch Avenue West, Toronto, Ontario M3J 0L5**,** with a copy to the Vendor's solicitor at the address indicated in this Agreement, or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, e-mail or facsimile machine and upon the second day following posting. During periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with subparagraphs (a) and (b) above.

29. **Meaning of Words**

The meaning of the words and phrases used in this Agreement shall be as described in the Act unless specifically ascribed herein.

30. **Applicable Law**

This Agreement shall be governed by the laws of the Province of Ontario. In the event any one or more of the provisions of this Agreement or any portion or portions thereof are invalid or unenforceable, the same shall be deemed to be deleted therefrom and shall not be deemed to affect the enforceability or validity of the balance of this Agreement.

31. **Receipt Covenant**

The Purchaser covenants and agrees to attend at the Vendor's sales office and receive a copy of this Agreement executed by the Vendor and the Purchaser (the "Executed Agreement") and execute an Acknowledgement confirming same within two (2) Business Days of the Vendor verbally advising the Purchaser at the telephone number listed at the front of this Agreement that the Executed Agreement is available for pick-up. In the event that the Purchaser fails to attend at the Vendor's sales office within the time so limited, the Vendor shall have the right, at its sole option, to declare the Purchaser to be in breach of this Agreement whereupon 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.

32. **Electronic Registration and Electronic Documents/Transfer of Funds**

If the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or "**TERS**") is operative at the applicable land registry office on the Closing Date, the following provisions shall prevail:

(a) The Purchaser shall retain a solicitor who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser for the closing. The Purchaser will authorize its solicitor to enter into a Document Registration Agreement on the Vendor's solicitors' standard form (the "**Escrow Agreement**"). The closing time and release deadline for the purposes of the Escrow Agreement shall be 4:00 p.m. on the Closing Date.

(b) The Purchaser acknowledges that the delivery of documents and/or money may not occur contemporaneously with the registration of the Transfer/Deed of Land and may be delivered in escrow pursuant to the Escrow Agreement. In the event of electronic registration of documents, the Purchaser shall reimburse the Vendor on Closing for the additional legal costs incurred with respect to electronic registration.

(c) If the Closing of this transaction cannot be completed in escrow pursuant to the Escrow Agreement, the Purchaser's solicitor shall attend at the offices of the Vendor's solicitors or at the appropriate land registry office, as directed by the Vendor's solicitors and at such time as directed by the Vendor's solicitors in order to complete this transaction.

(d) Tender shall have been validly made by the Vendor when the "Completeness Signature" for the Transfer/Deed of Land has been electronically "signed" by the Vendor's solicitors on or before the Closing Date, and same shall be satisfactory evidence that the Vendor is ready, willing and able to complete the sale transaction and the Vendor shall be deemed to have effected a sufficient, good and valid tender upon the Purchaser.

(e) The parties agree that the delivery of documents (other than documents to be registered) on the Closing Date may occur by facsimile transmission or similar system reproducing them, provided that all documents have been properly executed by the appropriate parties, save and except for such documents as may be specified by the Vendor's solicitors as requiring original copies to be delivered on the Closing Date. The person transmitting the documents shall also provide original documents to the recipient within two (2) Business Days of the later of (i) facsimile transmission of the documents, or (ii) a request for the original documents by the recipient.

(f) At the option of the Vendor, the Purchaser agrees that the delivery of any documents not intended for registration on title to the Unit(s) may be delivered to the Purchaser by electronic transmission of electronically signed documents through the internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The Purchaser

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shall not require the delivery of originals of any such documents. The Purchaser shall reimburse the Vendor on closing for the costs incurred related to the electronic posting of documents

(g) If the Purchaser's lawyer is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Agreement, then said lawyer (or authorized agent thereof) shall be obligated to personally attend at the office of the Vendor's solicitor, at such time on the scheduled Closing Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's solicitor's office, and shall pay a fee as determined by the Vendor's solicitor, acting reasonably for the use of the Vendor's computer facilities.

(h) All closing funds payable by the Purchaser (in accordance with the statement of adjustments) in connection with the final Closing of this transaction must be provided to the Vendor's solicitors, or as they shall further direct, by way of an electronic wire transfer, or, at the Vendor's sole and absolute discretion, by way of certified cheque drawn upon, or issued from, the account of the Purchaser's solicitor from a Canadian chartered bank or trust company only, it being understood and agreed that in keeping with current Law Society Guidelines, that the Vendor's solicitor shall not accept money orders or bank drafts or any certified cheques which are not drawn upon, or issued from, the Purchaser's Solicitor's trust account.

Pursuant to subsection 3(1) of the *Electronic Commerce Act* (Ontario), as amended (or any successor or similar legislation) (the "**ECA**"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the ECA. In the event that the Purchaser and/or solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "**EFTS**") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc. In such case,

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of funds.

33. **Notices/Acknowledgements**

(a) The Purchaser acknowledges that existing and/or future development agreements affecting the Condominium may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the usage of the real property, environmental issues, noise levels from adjacent roadways or otherwise, any other matter that may be deemed by the Municipality to inhibit the enjoyment by the Purchaser of the Unit. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request by the Vendor, acknowledgements or amendments to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Unit to the Purchaser unless the Purchaser executes such acknowledgements or amendments as aforesaid. In addition, the Purchaser covenants and agrees to forthwith execute upon request by the Vendor, an acknowledgement or document required by a Committee of Adjustment Decision or pursuant to any requirement of any governmental or utility authority pursuant to any minor variance application or by-law amendment obtained in order to construct the Unit or Condominium. In the event that the Purchaser fails to execute such acknowledgements or amendments forthwith upon being requested to do so by the Vendor, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder.

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(b) The Purchaser expressly acknowledges that at the date of execution of this Agreement, draft plan and/or site plan approval pursuant to the provisions of the Planning Act, R.S.O. 1990 (the draft conditions) as amended may not yet have been obtained with respect to the Condominium. The Purchaser further acknowledges that the draft conditions and any Development Agreements may contain warnings, and other provisions which are required to be included in agreements of purchase and sale for units in the Condominium. The Purchaser covenants and agrees to execute any and all documentation, including an amendment to this Agreement, as may be required by the Vendor, and in a form satisfactory to the Vendor, in order that the foregoing provisions shall be incorporated into this Agreement, and acknowledged by the Purchaser.

(c) Without limiting the generality of the preceding subparagraph, the Purchaser is hereby advised that as and when other units in the Condominium or the common elements are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconvenience to the occupants.

(d) The Vendor reserves the right to increase or decrease the final number of levels to be constructed within the Condominium as well as the final number of units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more units situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the Disclosure Statement.

(e) The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date or the Closing Date, as the case may be, (or any acceleration or extension thereof as hereinbefore provided), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common/expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid/or payable, if applicable) as a result of the aforesaid.

(f) The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser of the Unit, and accordingly the Purchaser should arrange for their own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense. On the Occupancy Date, the Purchaser covenants and agrees to provide to the Vendor, evidence of the Purchaser's insurance coverage, including liability coverage, in such form and in such amount as required by the Vendor.

(g) The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.

(h) Each Unit has conduit(s) for the provision of television, telephone and internet service. These services are to be paid for directly by the owner of the Unit.

(i) Electricity and/or water consumption in each Unit may be measured and invoiced by a sub-metering system installed and operated by third party suppliers (the "**Suppliers**") as determined by the Vendor. In such event, each Unit owner shall receive and be responsible for, payment of the invoices with respect to the electricity and/or water consumption for their Unit, from the Occupancy Date forward. The Unit owner shall remit payment to the Suppliers for electricity and/or water consumption, separate from any other obligations the Unit owner has with respect to payment of common expenses as an owner within the condominium.

(j) Purchasers are advised that the Vendor may from time to time, in its sole and absolute discretion or as required by the Municipality or any other Governmental Authority change, vary or modify the plans, colours, materials, finishes, equipment, fixtures and specifications pertaining to the Condominium, the Units (all as defined in the Disclosure Statement) (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, materials, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs,

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illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. ~~The Purchaser specifically acknowledges that they have not acquired the Unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Vendor's sales presentation centre~~. With respect to any aspect of construction, materials, finishes, fixtures, equipment or dimensions, the Vendor shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitute materials, finishes, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.

(k) The Purchaser acknowledges that no representation or warranty has been made to the Purchaser by the Vendor or any of its agents, employees or representatives with respect to municipal taxes, utility costs, condominium fees or other expenses relating to the ownership or operation of the Unit. The Purchaser acknowledges that they shall be responsible for making his own inquiries to the appropriate municipal authorities or utilities in this regard.

(l) The actual number of units in the Condominium may be amended as disclosed in various provisions of the Disclosure Statement. Consequently, the legal description and suite number which identifies a purchaser's Unit on the front page of this Agreement of Purchase and Sale may be changed by the Vendor, in its sole and absolute discretion prior to the Occupancy Date and/or Closing Date.

(m) Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Vendor's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Vendor's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of registration as an alternative (in the Vendor's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each Unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the budget shall not be the responsibility of the Vendor, despite Section 75 of the Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Vendor as complete defence to any application or objection raised by Purchasers in this regard.

(n) The Purchaser acknowledges that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of such land uses that are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor’s operations relating to the construction of the Condominium, the existing or proposed neighboring or adjacent buildings or condominiums and other projects in the vicinities thereof (including, without limitation, construction being performed in connection with any business improvement area, including, without limitation, along Leslie Street and St. John’s Sideroad) and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor’s construction operations.

(o) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated with, related to or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(p) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(q) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, minor variances or official plan amendments with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser’s successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, minor variances or official plan amendments. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser’s successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser’s successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of

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such objections(s) and the removal of same. The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(r) The Vendor hereby advises the Purchaser that noise transmission between units due to floor finishings, sound systems and other matters may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(s) Purchasers and/or tenants are advised that despite the inclusion of noise control features within the development area, noise levels from construction and building activities will continue to be of concern, occasionally interfering with some activities of the building occupants for the duration of the construction of the Condominium lands and the lands adjacent and/or in the vicinity of the Condominium lands.

(t) The Purchasers/tenants are advised that his/her unit may be subject to noise, odour, traffic and such other problems, from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands. The Purchaser/tenant does hereby acknowledge that they he/she is aware of this matter at the time of purchasing the Unit and confirms that he/she does not have, nor will they have any objection, whatsoever. The Purchaser/tenant of the Unit is advised that noise and odour levels from the commercial, residential and other projects and operations located or proposed to be located on the lands adjacent to or in the vicinity of the Condominium lands may continue to be of concern, occasionally interfering with some activities of the Unit occupants as the noise and odour exposure levels may exceed the criteria established by the relevant governing authorities.

(u) Purchasers are advised that despite the inclusion of noise control features in this development area and within the units, sound from increasing road traffic on public highways and from public transportation may continue to be of concern and may occasionally interfere with some activities of the occupants, as the outdoor traffic sound levels may exceed the noise criteria of the Municipality and the Ministry of Environment.

(v) Purchasers are advised that mail delivery is to be determined by Canada Post, who will determine whether the unit owners receive mail delivery on a door-to-door basis or if mail is to be received from a community mailbox area, the location and design of which will be mandated by Canada Post.

(w) The Purchaser/tenant hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and in the Disclosure Statement and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or the Disclosure Statement nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement or the Disclosure Statement at a future date.

34. **HST**

(a) The Purchaser shall also be responsible for payment of HST on all adjustments and any increase in the rate of HST after the date of the within Agreement.

(b) The Purchase Price stated herein is exclusive of the HST, the total amount of which is in addition to the Purchase Price. The Purchaser shall have the full responsibility for the payment of the HST exigible pursuant to the HST Legislation with respect to this transaction in addition to the Purchase Price hereunder. The Purchaser shall provide the Vendor, no later than the Closing Date, with a Statutory Declaration together with such other proof as is requested by the Vendor setting out the registration number assigned to the Purchaser for the collection and remittance of HST under the provisions of the HST Legislation, together with an undertaking to self-assess and remit as required all HST exigible in connection with the within transaction and to indemnify the Vendor from and against the payment of any and all such HST and all claims, liabilities, penalties, interest, costs, legal and other expenses incurred directly or indirectly in connection with the assessment and remittance of such HST, all in a form which is satisfactory to the Vendor's solicitor (collectively, the "**HST Registration, Undertaking and Indemnity**"), failing which the Purchaser shall pay to the Vendor or the Vendor's solicitor on the Closing the amount of the HST payable by it in connection with this transaction by way or wire transfer. The indemnity contemplated above shall survive indefinitely. For the purposes of this Section, **"HST Legislation"** means the *Excise Tax Act*, as amended from time to time and any regulations made pursuant thereto, and **"HST"** means the combined federal and provincial Harmonized Sales Tax exigible in connection with the within transaction or any portion thereof, as well as any other taxes, interest and penalty imposed under the HST Legislation, and "**Purchaser**" shall include each of those person(s) who at Closing will acquire beneficial interests in the Property for its own account and not as an agent, trustee or otherwise on behalf of another person.

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35. **Size of Unit**

The Purchaser acknowledges that the location of mechanical and other service installations may or may not be shown on sales brochures and, in any event, such mechanical and other service installations will be located in accordance with approved plans and/or good construction practices, which may result in room size reductions commensurate with the mechanical and other service installations being installed. The Purchaser acknowledges that the area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior walls and to the center line of all party walls separating one unit from another. Actual useable floor space may vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that in the event the square footage of the Unit and/or dimensions or square footage of any room or area in the Unit, are varied from those specified in this Agreement or the sales brochure, or any or all of the foregoing, the Purchaser agrees to accept all such variations without notice and without claim for compensation or abatement in the purchase price and this Agreement shall be read with all amendments required thereby. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). The inclusion of noise attenuation control features, floor finishings, ceiling details, lighting and HVAC grills will affect the actual finished floor to ceiling heights of the Unit. In addition, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required and/or where there may be other plumbing, mechanical systems, electrical or HVAC equipment located in the ceiling, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever. Notwithstanding anything contained herein to the contrary, the size discrepancy shall not exceed 3 %.

36. **Deposit Receipt**

The Purchaser hereby irrevocably constitutes and appoints the Vendor to be and act as their lawful attorney, pursuant to the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended from time to time, in the Purchaser's name, place and stead, in order to execute any excess condominium deposit insurance policy (and related documents) issued by any insurer or bonding company providing prescribed security for the Purchaser's deposit monies pursuant to the Act if, in fact, same is procured by the Vendor. In accordance with the provisions of the Powers of Attorney Act, R.S.O. 1990 as amended, the Purchaser hereby confirms and agrees that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

37. **Deposits**

All deposits paid by the Purchaser shall be held by the Vendor's Solicitors in accordance with the Act and shall be released only in accordance with the provisions of Section 81 of the Act and the regulations thereto, as amended. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the purchase price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted on the front page of this Agreement to which this Schedule is attached. The Purchaser further acknowledges and agrees that any deposit cheques provided to the Vendor upon execution of this Agreement will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as, provided for in Section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the ITA.

38. **Powers of Attorney**

If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the applicable Land Titles office, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked and is still in full force and effect) shall be delivered to the Vendor along with such documents.

In accordance with the provisions of the *Powers of Attorney Act* (Ontario), as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

39. **Use, Parking and Signage**

(a) The Purchaser, his heirs, executors, successors and assigns agrees to use the Unit purchased only for purposes as set out in paragraph 2 of the first page of the within Agreement.

The Vendor shall approve of the use if in its estimation:

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(i) the use will not violate any zoning or restricted area by-laws of the local municipality and pertinent governmental bodies, or any of the restrictive covenants, if any, affecting the Property;

(ii) the use will comply with the terms of this Agreement and the Condominium Documents;

(iii) the use is not for massage parlour or for any type of an adult entertainment business, as defined and determined by the Vendor or the Corporation (as the case may be) in its sole absolute and arbitrary discretion, or for any use requiring the storage, manufacture or consumption of any hazardous substances, toxic waste or contaminant, or as a place for gambling, a casino, or for bingo or games of chance, or as a place for auctions, bankruptcy sales, or any type of liquidation sales, or as a pawn shop or sale of second-hand goods, or as a facility for growing, cultivating, storing, dispensing or in way dealing with marijuana or marijuana-related products (whether for medical purposes or otherwise) except for any legal marijuana dispensary (which, for greater certainty, shall not include any growing or cultivating of marijuana), or any residential use whatsoever (which, for greater certainty, shall not prohibit any hotel use permitted by the Applicable Zoning By-laws); and

(iv) the use will not conflict, in the Vendor's sole opinion, with the use of other units or other unit owners in the Condominium, and will not violate any of the Exclusivity Rights in favour of certain units in the Condominium as described above.

and failing Vendor's approval, this Agreement shall terminate and be of no further force or effect. For greater certainty, in the event that the Vendor does not notify the Purchaser that the Purchaser's use has been approved, then the Vendor shall be deemed to have not approved the Purchaser's use. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor is making no representation that the Purchaser's use herein stipulated, nor its intended use of the Property, is exclusive, will not be the same as or conflict with other uses, or is permitted under applicable zoning or other by-laws, and the Purchaser represents that he has satisfied himself with respect to all zoning and other by-law matters. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor may allow any use(s) permitted by applicable by-laws, notwithstanding that such use may in fact conflict with the use of other unit uses or other unit owners in the Condominium or in conflict with the character of the proposed Condominium.

In addition, the Purchaser acknowledges that the Vendor shall not be responsible and shall have no obligation, or responsibility to enforce any restrictive uses of any Unit owners or the violation by any of the Unit owners of any of their respective permitted uses, and the Vendor shall have no liability whatsoever in this regard:

(b) It is acknowledged by the Purchaser that the Purchaser is to be responsible for obtaining their own occupancy permit or authorization from the Municipality, with the Vendor suffering no liability in the event the Purchaser is unable to obtain same, and the Purchaser covenants to use the Property only in accordance with the use set out in paragraph 2 of the first page of the within Agreement.

(c) The Purchaser acknowledges that it is the present intention of the Vendor to designate a certain number of parking spaces as handicapped parking spaces, as may be required by applicable laws and by-laws, and parking spaces reserved for short-term courier and delivery services, all to be governed by the Condominium Corporation's rules and regulations as may be established from time to time.

(d) The Purchaser acknowledges that the Vendor may, in the Vendor's sole and absolute discretion, install and lease and/or sell one or more podium or pylon structures to be erected at the entrance to the Condominium. Each such structure will consist of an aluminum sign panel with electrical conduit ready to accept illuminated channel lettering (the "**Entrance Signage**") and with all Entrance Signage to be installed by the Purchaser, at the Purchaser's sole cost and expense. The costs associated with any Entrance Signage attributable to any Unit or Units will be in the sum determined by the Vendor, plus HST, and which sum shall be due and payable by the Purchaser to the Vendor in full on the Occupancy Date.

40. **Purchaser's Consent to the Collection and Limited Use of Personal Information**

The Purchaser covenants and agrees to provide to the Vendor, forthwith upon request by the Vendor, all identity and other information required by the Vendor in order to comply with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000 as amended, as well as the Financial Transactions and Reports Analysis Centre of Canada. In addition, for the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the Personal Information Protection and Electronic Documents Act S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Unit, 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 residency status, and social insurance number only for the limited purpose described in subparagraph (i) and (j) below, as well as the Purchaser's financial information, 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

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entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

(a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, as well as other future condominium declarants 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 condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(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 condominiums 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, and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium;

(e) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, 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 Unit and the installation of upgrades ordered or requested by the Purchaser and agreed to by the Vendor;

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

(h) any relevant Governmental Authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);

(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(1)(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 the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

(k) the condominium corporation, for purposes of facilitating the completion of the corporation's voting, leasing and/or other relevant records, and to the condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

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

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

41. **Conditional on Condominium Registration**

Notwithstanding anything else herein contained, the Purchaser specifically acknowledges and agrees that the Condominium Documents have not been registered by the Vendor and that accordingly this Agreement

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is conditional upon such registration, failing which this Agreement shall be null and void and the Vendor and Purchaser shall have no further liability or obligation hereunder, and neither the Vendor nor the Purchaser shall be liable for any costs, liabilities or damages to the other, and all monies paid towards the Purchase Price shall be returned to the Purchaser, with interest in accordance with the provisions of the Act. Without in any way limiting the generality of any other provisions of this Agreement regarding the acceptance of title to the Unit by the Purchaser, the Purchaser agrees to accept title to the Property subject to such Condominium Documents being registered on title notwithstanding that they may be amended and varied from any proposed Condominium Documents as are contained in the Disclosure Statement.

42. **Purchaser Selling or Assigning**

The Purchaser covenants not to offer, list or advertise for sale, lease, transfer or assignment, nor to sell, lease, assign or transfer his/her/its interest under this Agreement (or in the Unit), nor permit any third party to do any of the same until after acquisition of the title to the Unit on the Closing Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld or delayed in the Vendor's sole and absolute and unfettered discretion. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. Notwithstanding the foregoing, upon the Vendor entering into agreements of purchase and sale with third party purchasers, which are firm and binding, for the sale of at least ninety percent (90%) of the units in this Condominium and the proposed units in the Standard Condominiums, the Purchaser may apply to the Vendor for the right to sell, lease, transfer or assign their rights in the within Agreement and/or the Unit prior to the Closing Date (the "**Assignment**"), and, as a condition of giving its consent for such Assignment, which consent may be arbitrarily withheld or delayed, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of Five Thousand Dollars ($5,000.00), plus all applicable taxes, together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus all applicable taxes thereon (collectively, the "Assignment Fee"). Notwithstanding the preceding sentence and provided that the Vendor's Solicitor receives 30 days' notice, the Assignment Fee will not apply where the Purchaser is an individual and on Closing the Purchaser intends to assign his/her interest under this Agreement to a corporation under his/her control.

Notwithstanding the Vendor providing its consent to an Assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("**MLS**") or any other publication.

43. **Counterparts**

This Agreement and any amendments thereto may be executed in one or more counterparts, including by facsimile or electronic mail transmission, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Agreement.

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Ontario's Residential Condominium Buyers' Guide

Last Updated: November 6, 2020

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Ontario's Residential Condominium Buyers' Guide - Using the Condo Guide

Purpose

According to section 72 (1) of the Condominium Act, 1998 (the "Condo Act"), Ontario's Residential Condominium Buyers' Guide ("the Condo Guide") prepared by the Condominium Authority of Ontario (CAO) is required to be provided to buyers of residential pre-construction/new condo units by the declarant ("developer") when buyers are purchasing from the developer or a person acting on behalf of or for the benefit of the developer. Purchasers of resale residential condo units may also wish to review the Condo Guide.

This Condo Guide has been approved by the Minister of Government and Consumer Services.

The purpose of the Condo Guide is to provide condo purchasers in Ontario with information and resources to make a more informed decision when purchasing a residential condo unit ("unit").

Under section 73(2) of the Condo Act, purchasers have a 10-day cooling off period in which they may rescind their agreement of purchase and sale. This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale and your disclosure documents and the Condo Guide. The CAO recommends that you carefully review the disclosure statement, agreement of purchase and sale, and the Condo Guide within the 10-day period.

The Condo Guide can be found below, commencing on page three with the table of contents, and will be updated from time-to-time. To confirm that you have the most up-to-date version, please visit the CAO website at www.thecao.ca.

Important Information Regarding Governing Documents

To make sure a particular condominium corporation ("condo corporation") is right for you, you may wish to read a condo corporation's existing or proposed governing documents, as applicable, before purchasing a unit. Information describing these governing documents, which consist of **1) the declaration; 2) the by-laws; and 3) the rules** is provided in the Condo Guide in Sections 1.1 and 3.3.

These documents, along with the rest of the disclosure statement (including the budget statement), and the agreement of purchase and sale, contain important information about what you are buying, and what you will need to pay for etc. This information may impact your decision to purchase a unit. If you have questions about the information contained in these documents, you may want to seek help from a legal professional.

Key Information for Buyers of Pre-Construction Residential Condo Units

To find information about buying a unit from a developer, you should review the following sections of the Condo Guide:

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- Introduction
- Part 1.1: Before You Buy a Pre-Construction Condominium Unit
- Part 1.2: Buying a Pre-Construction Condominium Unit
- Part 1.4: Additional Considerations
- Part 2: Moving into a Pre-Construction Condominium Unit

For more information on rescission of agreements of purchase of sale within the 10-day cooling off period, please visit Part 1.2 of the Condo Guide.

Key Information for Buyers of Resale Residential Condo Units

To find information about buying a unit from an existing owner (i.e. a 'resale condo' that is not sold by the developer), you should review the following sections of the Condo Guide:

- Introduction
- Part 1.3: Buying a Resale Condominium Unit

Key Information for Condominium Owners

To find information about condo living and governance that may be helpful before or after your condo purchase, you should review the following sections of the Condo Guide:

- Part 2.3: Tarion and the Ontario New Home Warranties Plan Act
- Part 3: Condo Living
- Part 4: Resources for Issues Resolution

Next Steps

Given the importance of this buying decision and the many factors to the condo purchase process, along with your expectations for condo living, it is important that you carefully review the condo corporation's governing documents, the rest of the disclosure statement (including the budget statement), the agreement of purchase and sale, and this Condo Guide. Also, the CAO is encouraging condo owners to subscribe to our email list to receive important email updates from the CAO. You can subscribe by either clicking here.

Additional information on the above can also be found on the CAO's website at www.thecao.ca.

You may also wish to consider seeking legal advice for any questions or concerns that you may have.

Please note that the material in the Condo Guide should not be interpreted as legal advice.

This Condo Guide has been approved by the Minister of Government and Consumer Services and is intended to apply to the purchase of new and pre-construction residential condominium units beginning on January 1, 2021.

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Ontario's Residential Condominium Buyers' Guide

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Introduction

What is a Condominium?

When most people hear the word “condo” they may think of a single residential tower or maybe a townhouse, but what “condo” really refers to is a specific kind of real estate ownership structure that involves shared ownership of common elements and community decision making. This means that a condo could resemble a park, parking lot, or even an empty field. If you are considering purchasing property in a condo corporation, it is important to understand upfront that condo living involves shared ownership and therefore a responsibility to your community.

Unlike when you own a traditional house, when you purchase a condo you become part of a condo community and become responsible for paying your share of the common expenses and complying with the condo corporation’s governing documents, among other things. You will also be able to participate in condo governance by, for example, voting for directors.

A “condo” is also a type of corporation. A condo corporation is responsible for making decisions about the condo property on behalf of the owners. A condo corporation may also get a condo manager/management services provider to help manage the property and the affairs of the corporation on the corporation’s behalf. The condo property is described in certain documents that must be completed and officially registered to establish the condo corporation. Those documents specify how the land is divided into units and common elements, as applicable. The owner of the land where the condo corporation is being established arranges for those documents to be registered with a Land Registry Office. That owner is known as a “declarant”, who may be the developer of the land. The condo owners (e.g., unit buyers) are the members of the condo corporation. The Condo Act sets out rights and responsibilities related to the management of a condo, including rights and responsibilities of condo owners and condo boards.

Condo corporations are created for many different uses including for residential, commercial, industrial, or mixed-use purposes.

Different Kinds of Condominiums

The Condo Act outlines various types of condo corporations. There are two main categories of condo corporations: freehold and leasehold. Freehold condos are condo corporations where the condo property is owned by the condo owners. Leasehold condos are condo corporations on leased land. Owners have a leasehold interest in units and common elements but do not own the land. Under the Condo Act, there are **four** different types of freehold condos:

1. Standard Condominium

- The most common type of condo corporation in Ontario.
- Has individual units.
- May include common elements, which often include areas such as a foyer, exterior walls, and amenities (e.g., pools, gardens).

2. Phased Condominium

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- A condo corporation that is intended to be built and registered in phases.
- New units and common elements are constructed and added to the condo corporation.
- Upon completion, a phased condo corporation becomes a standard condo corporation.

3. Vacant Land Condominium

- The units may be vacant lots at the time of purchase, and the layout of the lands may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.
- The developer can sell the lots as vacant or build (e.g., homes) on the lots and sell the lots with buildings on them.

4. Common Elements Condominium

- There are no units in this type of condo corporation. Instead, ownership is of a common interest in the common elements of the condo corporation by a separate parcel of land that is "tied" to the common elements corporation.
- Owners purchase a part of a common elements. Examples include shared roads, golf courses, or ski hills.

Leasehold Condominium

- Developed on land that is leased for a term between 40 and 99 years.
- Common expenses include a portion of the rent payable to the landowner.
- Once the lease expires, the owners' rights to occupy their units are automatically terminated.
- Leasehold condo corporations may be less common in Ontario.

It is important to note that the Condo Act has some different requirements for different types of condo corporations.

Part 1: Buying a Condominium Unit

1.1 Before you Buy a Condominium Unit

One of the most important steps you can take before you buy is to educate yourself and get the help you need to make an informed decision. Consulting this Condo Guide is a good start, but it is also important to seek legal advice before you buy. Buying a condo is a complex process and involves reviewing lengthy and sometimes difficult-to-understand documents. Seeking legal advice is the best way to ensure you are making an informed decision.

Reviewing a condo corporation's governing documents provides an opportunity to learn important information about the condo corporation you are considering. The information found in a condo corporation's governing documents may be key to your enjoyment of your unit and could have an impact on your buying decision. For more information on governing documents, including the 1) the declaration; 2) the by-laws; and 3) the rules**,** see section 3.3.

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Researching builders is another important step you may wish to take before purchasing a pre-construction unit. It is important to ensure that the builder you plan to buy a unit from is licensed by Tarion (Ontario's new home warranties and protections administrator – for more information see section 2.3 of this Condo Guide).

Tarion's Ontario Builder Directory is a useful resource for confirming the status of the builders before you buy. Please note that the Ontario Builder Directory will be available through The Home Construction Regulatory Authority (HCRA) starting in early 2021.

The HCRA is an independent, not-for-profit corporation that is preparing to potentially be designated as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If a regulatory authority is designated, Tarion would cease to provide this function, subject to potential exceptions during transition. At this time, it is expected that the future regulatory authority would be operational in early 2021.

1.2 Buying a Pre-Construction Condominium Unit

Documents to Review

Along with reviewing the information in this Condo Guide, it is important to review and fully understand the information in the following documents that are generally required to be provided to purchasers by developers:

1. **Pre-construction Agreement of Purchase and Sale**

The agreement of purchase and sale, sometimes referred to as the purchase agreement, contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations, the unit, and the condo construction project. You may wish to review this document carefully with a legal professional.

2. **Tarion's Information Sheet for Buyers of Pre-Construction Condominium Homes about the Possible Termination of Purchase Agreement**

All buyers of residential units in a standard or phased pre-construction condominium project where the first arm's length purchase agreement for the project was signed on or after January 1, 2020 must be given an information sheet that includes an outline of the possible risks of buying a unit in a pre-construction condominium project, in addition to other information (e.g., the estimated occupancy date for your unit and the status of construction).

3. **Tarion Addendum**

The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to. Information contained in the Tarion Addendum includes the delayed occupancy warranty provided by the builder, in accordance with the Ontario New Home Warranties Plan Act. The Tarion Addendum also contains a Statement of Critical Dates and early termination conditions that apply to the

agreement. In a disagreement or dispute about information contained within the agreement of purchase and sale and the Tarion Addendum, the Tarion Addendum prevails over the agreement of purchase and sale document and any other attachments to the extent of any conflict or inconsistency.

4. **Disclosure Statement**

Another very important document to review and understand is the disclosure statement which the builder is required to provide to condo buyers who buy directly from the developer or a person acting for the developer's benefit. This is required under section 72 of the Condo Act. Your agreement of purchase and sale is not binding on you as a buyer until you receive the disclosure statement and this Condo Guide from the developer.

The disclosure statement includes a lot of important information, including but not limited to:

- A copy of the existing or proposed declaration, by-laws, and rules for the condo corporation.
- A summary of the agreements to be entered into by the builder before the turn-over meeting, including agreements for condo management services and services like repairs and landscaping, and
- A copy of the budget statement for the first year after registration of the condo corporation.

It is important to carefully review the disclosure statement, consult with a legal professional about it and ensure that you do not have any outstanding questions.

Deposits

Generally, under the Condo Act, funds received by the builder of a condo project must be held in trust. This includes deposits and certain other payments covered by the purchase agreement.

If a project is terminated, the builder is generally required under the Tarion Addendum to refund all monies paid, plus interest, if any, calculated in accordance with the Condo Act (for information on the interest rates, see section 19 (3) of Ontario Regulation 48/01 under the Condo Act).

If the money is not refunded, then buyers may be able to make a claim to Tarion under the *Ontario New Home Warranties Plan Act*. Deposits and other payments by residential condo buyers are protected under the *Ontario New Home Warranties Plan Act* for up to a maximum of $20,000.

For more information about deposit protection, please click here.

Cooling Off Period and Rescission of Agreement

Section 73 of the Condo Act provides you as a buyer with a cooling off period of 10 days to consider whether you want to proceed with the purchase. Section 73 allows you to rescind the purchase agreement by notifying the developer of your wish to do so within the 10-day cooling off period.

This 10-day period begins on the later of the date on which you receive your agreement of purchase and sale executed by the declarant and the purchaser and your disclosure documents and Condo Guide. Within the 10-day cooling off period, you have the right to rescind or cancel the purchase agreement that you have signed for any reason whatsoever. Generally, you should also be refunded, without penalty or charge, all money deposited toward the purchase price, along with any applicable

interest (for information on the interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

Additionally, the Condo Act provides for a further rescission right where there is a material change in the disclosure statement. If there is a material change (i.e. an important change that would have caused a reasonable buyer to no longer want to proceed with the purchase, had that information been included in the disclosure received by the purchaser), then you may be able to rescind or cancel your purchase agreement during an additional 10-day cooling off period. This 10-day cooling off period starts from the later of:

1. the date that the declarant has delivered a revised disclosure statement or a notice to you confirming the material change;
2. the date that you otherwise become aware of the material change; or
3. the date that the Ontario Superior Court of Justice has determined that a material change has occurred.

Occupancy Dates & Delayed Occupancy

A page of the Tarion Addendum within your agreement of purchase and sale contains a Statement of Critical Dates which must be signed by both the condo buyer and the builder. The Statement of Critical Dates sets out when the builder expects to finish the unit and the latest dates for permitted extensions. You should review these dates closely including the firm occupancy date and the outside occupancy date.

Note that condo construction can sometimes be delayed, which means you may not be able to take occupancy of your unit on the anticipated occupancy date set out in the agreement. This is called delayed occupancy.

Your new home warranty coverage includes delayed occupancy coverage in certain circumstances. Details on the delayed occupancy warranty are provided in the Tarion Addendum in your agreement of purchase and sale.

For more information about occupancy dates and delayed occupancy warranty, visit Tarion's webpage.

Condo Cancellations

Pre-construction condo projects can sometimes be cancelled even after you have made a deposit on your purchase. This is because there are many stages in building a condo that may remain to be completed after you have made a deposit. The Tarion Addendum forming part of your purchase agreement must set out any conditions that may result in the condo not proceeding and therefore the potential termination of the purchase agreement. In these cases, it is the vendor who would terminate the agreement.

These conditions may include, but are not limited to:

- Failure to sell enough units,

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- Inability to secure financing for the project, or
- Delays in obtaining the required building or planning approvals.

It is important for you to be aware of the potential conditions when you are thinking of entering the purchase agreement. Buyers may wish to review the Tarion Addendum for identification of early termination conditions applicable to their purchase agreement.

In most cases, if a condo project is cancelled, buyers are entitled to get their deposit back, plus any accrued interest, if applicable. The Condo Act also provides for interest to be paid based on an interest rate calculation (for more information on those interest rates, see section 19(3) of Ontario Regulation 48/01 under the Condo Act).

For more information on condo cancellations, please click here.

1.3 Buying a Resale Condominium Unit

Purchasing a resale unit involves buying a unit from the current owner rather than from the developer. If you are thinking of buying a resale unit, it is important to do your research on the unit and condo corporation before making any decisions and consult a legal professional. **Before purchasing a unit, you may wish to consider the following:**

- **The status of the reserve fund and age of the building.** A reserve fund is required to ensure that the condo corporation has enough money to pay for major repairs and replacement of the common elements and assets of the condo corporation. It is important to note if the building will require any significant repair, maintenance or updating with its age and the plan for addressing those issues. You should consider the health of the reserve fund and review what is your responsibility to repair and maintain.
- **Common expenses**. This is the amount unit owners pay toward the operation of the condo corporation (e.g., security costs, cleaning costs, etc.) and contributions to the reserve fund. It is important to incorporate common expense fees into your budget when considering purchasing a condo. Common expense fees may change over time depending on the needs of the condo corporation.
- **The units and common elements**. The size, layout, and boundaries of the unit and the common elements generally will not change. You may wish to consider what is your responsibility to repair and maintain. For more information on units and common elements, see section 3.5 of this Condo Guide.
- **Amenities.** Consider that, in general, all the owners must pay for the common elements, regardless of whether you use them or not.
- **Litigation.** It is important to be aware of any litigation against the condo corporation or that the condo corporation is a party to, as owners generally will be responsible for the costs. If the condo corporation cannot cover the costs with the operating fund, a special assessment (an extra one-time charge added to an owner's common expenses) may be required. You can

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learn about on-going litigation by requesting a status certificate from the condo corporation, which is described in the next section.

- **New Home Warranty Information.** You may wish to consider whether the unit is still covered by any remaining new home warranties and protections under the *Ontario New Home Warranties Plan Act*. There are three different warranty periods that cover different types of defects, the longest of which is seven years. The maximum statutory coverage available is $300,000. More information about new home warranties and protections can be found on the Tarion website. To check the status of your home's warranty you may wish to contact Tarion by phone (toll free) 1-877-982-7466 or via e-mail at ismyhomecovered@tarion.com.

Documents to Review

- **The condo corporation's governing documents.** You will be required to abide by your condo corporation's declaration, by-laws, and rules. For more information see section 3.3 of this Condo Guide.
    - The declaration is the foundational document of the condo corporation and includes, among other things, the proportion which each unit owner contributes to common expenses and the repair and maintenance responsibilities of owners vs. the condo corporation. The declaration may also include information about how units and common elements can or cannot be used. The existing or proposed declaration will be included in the disclosure statement you receive from the developer when purchasing a pre-construction/new condo.
    - The by-laws may lay out how the condo corporation governs itself and how the condo corporation operates (e.g., some of the requirements for electing directors).
    - The rules may govern what the owners and occupants can and cannot do in their specific condo community in certain circumstances (e.g., for safety reasons).

- **Status Certificates.** A status certificate is an important document for purchasers of resale condos containing information about a specific completed condo unit and the condo corporation to which it belongs. Any person can request a status certificate for a unit from a condo corporation. A condo corporation can charge up to $100 (including all applicable taxes) for the status certificate. The condo corporation must provide the status certificate within 10 days of receipt of the request and payment for it.

  Status certificates are particularly important for prospective buyers of resale units because they contain important information, such as:

    - A copy of the condo corporation's current declaration, by-laws, and rules.
    - A copy of the budget for the current fiscal year, the last annual audited financial statements and the auditor's report.
    - A statement of the most recent reserve fund study.
    - A statement of the common expenses for the unit and whether the unit is in arrears of payment.
    - If the common expenses for the unit have increased since the current year's budget was prepared, a statement of the increase and the reason.

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- If an assessment has been charged against the unit since the current year's budget was prepared, a statement of the assessment and the reason.
- The address for service for the condo corporation (e.g., the address where the condo corporation receives mail).
- The names and addresses for service for the directors and officers of the condo corporation.
- A certificate of insurance for each of the current insurance policies.
- Information about certain legal issues that may affect the condo corporation (e.g., whether there are outstanding legal judgments against the condo corporation, or if the condo corporation is involved in any ongoing litigation).

You can also access key information on any condo corporation in the province through the CAO's Public Registry. You may wish to consider speaking to a legal and/or real estate professional when considering purchasing a resale condo and before signing any documents.

1.4 Leasing Your Unit

Leasing out a condo unit is an option that many condo owners use at some point during their time as a condo owner, however, there are special considerations that you must keep in mind if you choose to lease out a condo unit. In Ontario, the *Residential Tenancies Act, 2006* outlines the rights and responsibilities of landlords and tenants who rent residential properties. The *Commercial Tenancies Act* applies to leasing commercial properties.

It is the responsibility of the unit owner to ensure that the renter abides by the condo corporation's declaration, by-laws, and rules. Additionally, a unit owner must, within 10 days of entering the lease or the renewal of the lease, provide the renter with these documents. Section 83 (1) of the Condo Act requires that an owner also notify the condo corporation that the unit has been leased within the same timeframe, and provide the renter's name, the unit owner's address and a copy of the lease or renewal or a summary of the lease or renewal. A form is available on the CAO's website which will allow you to easily communicate this information to a condo corporation.

If you plan on leasing your unit you must also be aware of restrictions that the condo corporation's governing documents may place on owners in relation to leases. For example, the condo corporation could have minimum terms for unit leases to prevent the units in the condo corporation from being used as short-term rentals.

Part 2: Moving into a Pre-Construction Condominium Unit

2.1 Interim Occupancy

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Interim occupancy occurs in pre-construction condo projects when the developer/builder lets the buyer take occupancy in the unit before the declaration has been registered and the title can be transferred to the buyer. During interim occupancy, you cannot make mortgage payments until the condo corporation is registered.

As your building nears completion, your developer/builder will advise you of your interim occupancy date. On the interim occupancy date, you can live in your unit, but it is important to note that you do not own it yet. Ownership of your unit can only be transferred to you once the condo corporation has been registered.

During the interim occupancy period, you will be required to pay the developer/builder an interim occupancy fee, regardless of whether you move into the unit or not.

The interim occupancy fee cannot be more than the total of:

- The interest (calculated monthly) on the unpaid balance of the purchase price at the prescribed interest rate;
- The estimated monthly municipal taxes for the unit; and,
- The projected common expense fees for the unit.

For additional information regarding interim occupancy, click here.

2.2 Creating the Condominium Corporation

Condominium Registration Process

Condo corporations are created when the developer registers the declaration and description with the Land Registry Office. Some registration requirements vary by the type of condo corporation being proposed (e.g., phased, common elements etc.).

The declaration and description are legal documents that contain fundamental information about the condo corporation and the property. The proposed or existing declaration must be included in the disclosure statement provided to you by your developer. You may wish to review this carefully.

The **declaration** will contain information such as:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The **description** defines the units and the common elements and specifies the boundaries between them. The description will contain information such as:

- A survey showing the boundaries of the property;

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- Diagrams showing the shape and dimensions of each unit; and
- Specification of the boundaries of each unit and what is considered part of the common elements.

The Condo Act requires developers to take all reasonable steps to finish construction and register the condo corporation without delay.

More information about the declaration and description as well as your condo corporation's other governing documents can be found in section 3.3 of this Condo Guide, or by clicking here.

Declarant-controlled boards

*Please note that, for ease-of-understanding the Condo Guide uses the term "developer" throughout in place of the term "declarant", which is used in the Condominium Act, 1998. This section will use both as the term "declarant-controlled board" is used often in materials related to pre-construction and new condo projects.

Within ten days after the condo corporation has been registered, **the declarant (who is generally your developer/builder)** is required to appoint at least three individuals to make up the condo corporation's first board of directors. This first board is called the declarant-controlled board. The declarant-controlled board is responsible for carrying out all normal board duties until the declarant ceases to own a majority of the units in the condo corporation. For example, the declarant-controlled board may propose or make by-laws and rules. More information about condo boards and condo board duties can be found in section 3.2 of this Condo Guide.

Once the declarant ceases to own a majority of the units, the declarant-controlled board is required to call a meeting of the owners to elect a new board within 21 days. The meeting must then be held within 21 days of being called, meaning that the meeting must occur within 42 days of the declarant no longer owning a majority of the units. This meeting is called a turn-over meeting.

Turn-over Meetings

The turn-over meeting is an important meeting for the condo corporation because the turn-over meeting must cover two important items:

- The turn-over of important documents from the declarant (i.e. generally your developer or builder) to the condo corporation, and
- The election of the first owner-controlled condo board of directors.

The declarant is responsible for turning over important documents at the turn-over meeting such as:

- The condo corporation's minute book (a minute book is the primary record of a condo corporation's meetings);
- The condo corporation's declaration, by-laws, and rules;
- Agreements already entered into on the condo corporation's behalf;

The declarant must turn over other important information within 30 days of this turn-over meeting, such as:

- All financial records of the condo corporation and of the declarant for the condo corporation from the date of registration onwards;

- A copy of any reserve fund studies conducted to date (if any); and
- A copy of the most recent disclosure statement.

Within 60 days after the turn-over meeting, the declarant must also turn over audited financial statements.

Additionally, at the turn-over meeting, unit owners will vote for new board members. For certain requirements related to a turn-over meeting, see section 43 of the Condo Act.

First-Year Budget

According to section 72 of the Condo Act, the declarant (i.e. generally your developer or builder) is responsible for preparing, and including in the disclosure statement, the first-year budget (also referred to as the budget statement) which covers the one-year period immediately following the registration of the declaration and description. Information included in the first-year budget should include, among other things:

- The projected common expenses for the condo corporation;
- The particulars of the type, frequency, and level of services to be provided;
- The projected costs of the performance audit;
- The projected monthly common expense contribution for each type of unit;
- The projected cost of the first reserve fund study; and
- The costs of preparing the audited financial statements.

Overall, the first-year budget is meant to give you a good idea of the expenses you can expect to pay in addition to the cost of buying your unit.

Additionally, section 75 of the Condo Act requires that the declarant be accountable for the first-year budget. After receiving the audited financial statements for the period covered by the first-year budget, the board has 30 days to compare the actual expenses with the first-year budget prepared by the declarant. If there is a shortfall (i.e., there are less funds projected based on the first-year budget than the actual first year expenses), the declarant may be responsible for the shortfall.

2.3 Tarion and the Ontario New Home Warranties Plan Act

What is Tarion?

Tarion is an independent not-for-profit corporation with responsibility for administering the *Ontario New Home Warranties Plan Act*, including warranties and protections claims. Until early 2021, Tarion also serves the function of licensing new home builders and vendors.

For more information on Tarion, please visit their website by clicking here.

What is The Home Construction Regulatory Authority?

The Home Construction Regulatory Authority (HCRA) is an independent, not-for-profit corporation that is preparing to potentially be designated by the Ontario government as the new regulator of new home builders and vendors under the *New Home Construction Licensing Act, 2017*. If the HCRA is

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designated, Tarion would cease to regulate builders and vendors, subject to potential exceptions during transition. Tarion would remain responsible for warranty administration. At this time, it is expected that the future regulatory authority would be operational in early 2021.

For more information on the HCRA, please visit their website by clicking here.

New Home Warranties Plan Act and Coverage

Tarion's legal responsibilities and mandate come from the *Ontario New Home Warranties Plan Act*. In Ontario, all new residential condos are required to be enrolled in the Ontario new home warranty and protection program, administered by Tarion. If you purchase a new condo and there are warrantable defects (e.g., construction issues, unfinished work, etc.), you can report these to Tarion and your builder. If your builder does not fix the defects, Tarion may provide warranty assistance, if the item is warrantable. Be sure to visit the Tarion website for a breakdown of new home warranty and protection coverage and more information.

For more information about new home warranty coverage click here.

Information for purchasers of units in residential condominium conversions is available here.

The common elements of most condos are also covered by Tarion's warranties. If a common element requires warranty coverage, the condo corporation will address the issue (rather than any one individual owner). Section 44 of the Condo Act requires that between the six- and ten-month mark following the registration of the declaration, the board must appoint an engineer or architect to conduct a performance audit. This audit must be submitted to Tarion which will allow the corporation to make claims regarding issues with the common elements. If the corporation does not file in time, it will be impossible to make claims under the Tarion warranty program. It is common that the condo board directors appoint an individual to manage this process on behalf of the board.

To access more information on the common elements warranty process, please click here.

Pre-Delivery Inspection

A very important step for identifying potential issues or deficiencies is the pre-delivery inspection (PDI). A PDI is your chance to raise issues you notice with your new condo, such as incomplete construction, a damaged area, or an element of poor workmanship of the unit.

During the inspection, the builder of the condo will take you to inspect the new unit and may demonstrate the internal systems (such as air conditioning) of your unit. If you identify a defect during your PDI, your builder should note it on the PDI Form to establish that it existed prior to closing and thus was something not caused by you. It is your builder's responsibility to list these items and provide you with a copy of the completed PDI Form.

The PDI form is an important document, as it will be the official record of the state of your home before you move in, so keep your copy in a safe place. However, the PDI form is not an official warranty form and any items that are not corrected by the time you move in need to be listed on a 30-Day or Year-End Form.

Builder Registration/Licensing

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Under the *Ontario New Home Warranties Plan Act*, all new home builders and vendors must be registered with Tarion and enroll their homes in the Ontario new home warranty and protection program.

In early 2021, the Home Construction Regulatory Authority (HCRA) is expected to be designated as the new regulator for new home builders and vendors. As the regulator of new home builders and vendors upon designation, the HCRA would be responsible for receiving and responding to any licensing related inquiries or complaints regarding a builder or vendor. Tarion would remain responsible for any warranty-related inquiries or complaints.

Until early 2021, Tarion will maintain an Ontario Builder Directory of all new home builders and vendors. Buyers of new homes are encouraged to check the Ontario Builder Directory to ensure their builder or vendor is registered with Tarion.

In addition, the Ontario Builder Directory includes information about condominium projects retroactive to January 1, 2018, including cancelled condominium projects and the status of each condominium project (i.e., completed, in progress or cancelled).

If the HCRA is designated by the Ontario government as the new regulator for new home builders and vendors, the HCRA would become responsible for the Ontario Builder Directory once it is operational in early 2021.

Part 3: Condominium Living

3.1 Introduction to Condominium Living

Your Unit and Common Elements

In a condo corporation, as an owner, you typically own your individual unit and collectively share in the ownership of and expenses for the common elements.

Unlike units, common elements may not be for the exclusive use of a particular unit owner. Common elements may include parking garages, elevators, lobbies, and much more. They may also include structural elements like the walls between the units, doors, plumbing and electrical work.

Exclusive Use Common Elements

Certain common elements may be for the exclusive use of a particular condo owner. These are called exclusive-use common elements. An example of an exclusive-use common element may be the balcony of a unit. Although a condo owner might think of a balcony as part of their unit, it could be an exclusive-use common element.

Every condo corporation is unique in the breakdown between units and common elements. If you are unsure about what constitutes a common element in your condo corporation, you can refer to your condo declaration.

Rights and Obligations of Owners

Condo owners in Ontario have rights and obligations that you should be aware of before purchasing a unit:

Rights

- Attending and voting at owners' meetings;
- Seeking election to the condo board, if qualified under the Condo Act;
- Reviewing certain records of the condo corporation, such as certain financial statements and meeting minutes;
- Requisitioning an owners' meeting in certain circumstances;
- Using the common elements and amenities of the condo corporation in accordance with the Condo Act and the condo corporation's declaration, by-laws, and rules; and
- Requesting that an item be added to an owners' meeting agenda.

Obligations

- Complying with the Condo Act and the condo corporation's declaration, by-laws, and rules;
- Repairing and maintaining your unit in accordance with and subject to the Condo Act and the condo corporation's declaration and by-laws;
- Paying your common expense fees on time;
- Notifying the condo corporation if your unit is leased; and
- Attending and voting at certain meetings.

Click here for more information on condo ownership.

3.2 Condominium Governance

Board of Directors and Board Responsibilities

The board of directors of a condo corporation that is turned over is an elected group of people that is responsible for governing the affairs of the condo corporation. The board of directors will ideally play a critical role in supporting a positive, healthy condo community and ensure that the condo corporation and its assets are well managed and maintained.

The board has certain responsibilities such as:

- Setting the condo corporation's annual budget;
- Making most decisions about how the condo corporation will spend its money, including selecting contractors or service providers your condo corporation will work with;
- Hiring and overseeing the work of a condo manager (should your condo corporation decide to get a condo manager);
- Ensuring required maintenance and repairs are carried out;
- Hiring specialists, such as engineers, to conduct reserve fund studies;
- Proposing changes to the condo corporation's rules and/or by-laws;
- Giving various notices to owners; and
- Making decisions related to the condo corporation's finances.

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A condo's board is usually made up of owners in the condo corporation (but can include non-owners depending on the provisions of the condo corporation's by-laws). Directors are elected by the owners and serve for defined terms. Directors must seek re-election when their term expires if they want to remain on the board.

Duties of Directors and Required Disclosures

Board directors are responsible under section 37 (1) of the Condo Act to exercise their power or carry out their duties for the condo corporation with a standard of care. This means directors have a duty under the Condo Act to:

- Act honestly and in good faith; and
- Exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

A condo corporation may also have a code of ethics outlined in a by-law. A code of ethics will govern matters such as conflicts of interest, confidentiality, and standards of behaviour at board meetings.

Individuals looking to become directors (i.e. candidates) must meet disclosure requirements listed under section 11.6 of Ontario Regulation 48/01 as well as any such requirements listed in the by-laws of the condo corporation. To qualify as a candidate an individual must disclose, among other things:

- Whether the candidate (or their spouse, child or parent) is party to a legal proceeding in which the condo is also a party;
- Whether the candidate has, directly or indirectly, an interest in a contract or transaction that the condo corporation is a party to;
- If the candidate is a unit owner with common expense fees in arrears for 60 days or more; and
- Whether the candidate has been convicted of an offence under the Condo Act or under the regulations within the preceding 10 years, a statement of that fact and a brief general description of the offence.

A director is immediately disqualified if they do not meet certain disclosure obligations. In addition, directors may be disqualified if they meet any of the criteria listed in section 29(2) of the Condo Act (e.g., they have the status of bankrupt).

More information regarding director disclosure obligations can be found on the CAO website here.

For a full list of disclosure obligations, please see 11.10 of Ontario Regulation 48/01.

Election Process

Aside from the developer-appointed directors, and instances where an individual is appointed to the board by the existing directors, directors are elected by the owners at a meeting, such as a turn-over meeting, an annual general meeting, a requisitioned meeting, or a meeting called specifically for elections due to loss of quorum. Directors usually serve for three-year terms, but this period may be shorter, depending on a condo corporation's by-laws. Once their term is over, they must seek re-election to continue to act as a board member.

Requirements for Being a Director

Before a candidate can become a director, there are a few requirements that must be met. The candidate must:

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- Be an individual;
- Be at least 18 years old;
- Not have a status of bankrupt;
- Not have been found incapable of managing property;
- Not have been found incapable by a court; and
- Meet the required disclosure obligations, as mentioned above**.**

Once an individual becomes a director, they can be immediately disqualified from their position if, for example:

- They are bankrupt;
- They have been found incapable of managing property or found incapable by a court;
- They have a certificate of lien registered against their unit that has not been discharged within 90 days;
- They failed to complete the mandatory director training within six months; or
- They failed to comply with mandatory disclosure obligations.

Note that different condo corporations may have additional requirements for directors. You may wish to check your condo corporation's by-laws for more information.

Director Training Requirements

All directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program provided by the Condominium Authority of Ontario (CAO) within six months of their appointment, election, or re-election, and at least once every seven years. Director training is provided for free and is easily accessible online on the CAO website.

Directors who fail to complete the training within the six-month timeframe are immediately disqualified from their board and cease to be a director.

Although director training is mandatory for directors, director training is not just for condo directors. It is available to any individual and contains plenty of useful information regarding condo living and condo governance.

If you wish to know more about director training, please click here for more information.

Meetings and Quorum

Condo meetings can be divided into two types: owners' meetings and board meetings. The Condo Act requires that a minimum number of participants be present at meetings, which is called "quorum". Without quorum, voting cannot take place, however discussion on relevant business is still permitted. Note that a corporation may also be able to make by-laws with respect to meetings, including with respect to quorum and voting. For owners' meetings, owners can either attend in person or by proxy. For more information on proxies, see **Voting by Proxy and Voting Method** below.

Owners' meetings are meetings in which all condo owners are invited to attend. The following are the most common types of owners' meetings:

- **Annual General Meetings** (AGM) are annual meetings where the board has the chance to report to owners on matters such as the financial health of the condo corporation. The AGM

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also gives owners the opportunity to discuss matters that are relevant to the business of the condo corporation. The following items may be on the agenda at an AGM:

- Approval of the minutes of the previous AGM;
- Review of year-end audited financial reports;
- Selection of the condo corporation's auditor for the next fiscal year;
- Report of the board of directors regarding matters like past performance;
- Major upcoming projects (e.g., repairs or renovations), potential by-law changes and ongoing issues; and
- Election of directors.

The standard quorum for an AGM is the owners of 25% of the units. If the quorum is not reached on the first two attempts to hold the AGM, the quorum is reduced to 15% on the third and on any subsequent attempts unless the by-laws specify otherwise.

- **Owner-Requisitioned Meetings** are meetings that the board is required to call at the request of the owners of the condo corporation. All owners can attend. Some examples of why owner-requisitioned meetings may be called include:
  - Voting on a proposed rule;
  - Discussion of an emerging issue (e.g., the behaviour of owners, residents, or guests); or
  - The removal and replacement of a director before the expiry of that director's term.

  Information related to requisitioning a meeting of owners can be found under section 46 of the Condo Act. Other sections also may be relevant.

  More information on requisitioning a meeting can be found here.

- **Board Meetings** are meetings attended by the condo board to manage the affairs of the condo corporation. The only people who are entitled to attend board meetings are the directors, however, condo boards may invite individuals to attend board meetings as guests. A condo's board of directors can only conduct condo related business at a board meeting. Before any condo business can be conducted, the board must make sure there is a quorum of directors attending the board meeting. For board meetings, quorum is a majority of the total number of positions on the board. For example, if there are 3 positions on the board, quorum would be 2 board members in attendance at the board meeting.

Voting by Proxy and Voting Method

At owners' meetings, votes may be held regarding condo business.

Unless the Condo Act provides otherwise, at a meeting, votes may be cast by:

- A show of hands, personally or by proxy
- A recorded vote that is:
  - Marked on a ballot cast personally or by a proxy;
  - Marked on an instrument appointing a proxy; or
  - Indicated by telephonic or electronic means if the by-laws so permit.

If you are an owner who cannot attend a meeting but still want to participate in decision-making, you can enable somebody who will attend the meeting to vote for you. This individual is called a proxy (who need not be an owner in your condo corporation). You can appoint a proxy by completing a legal document called a proxy form and giving the form to the proxy. You can create only one proxy per unit. If you co-own your unit, the proxy represents all owners of the unit.

A form is available on the CAO website which gives instructions on how to use a proxy, and how a proxy can vote in a meeting.

Notices

A condo corporation must provide various notices to owners to make owners aware of upcoming owners meetings. There are a variety of notices required under the Condo Act, such as:

- **Preliminary Notice of Meeting:** The Preliminary Notice of Meeting must be delivered to owners at least 20 days before a Notice of Meeting. The Preliminary Notice will, among other things, let owners know that a Notice of Meeting will be sent, state the purpose of the meeting, and, if applicable, request that individuals interested in being candidates for director positions notify the board in writing.

  More information about a Preliminary Notice of Meeting can be found by clicking here.

- **Notice of Meeting:** The Notice of Meeting must be delivered to owners in writing at least 15 days prior to the day of the meeting. A Notice of Meeting of owners will include the date, time, and place of the meeting. It must also identify the business to be discussed, among other things. No vote can take place on an item, other than routine procedure, that was not disclosed in the Notice of the Meeting.
    - If an owner wishes to receive notices electronically, they must provide an Agreement to Receive Notices Electronically form, and the condo corporation must have a statement of this method of receiving notices in the record of owners and mortgagees (unless the Condo Act provides otherwise).

  More information about the Notice of Meeting can be found on the CAO website here.

Information Certificates

Information Certificates help ensure that condo owners receive important information about the state of the condo corporation throughout the year. Information certificates can be broken down into three types:

- **Periodic Information Certificate (PIC)**. Sent out twice per fiscal year to all owners (within 60 days of the end of the first quarter and 60 days of the end of the third quarter). Includes key information about the condo's board, finances, insurance, reserve fund, legal proceedings, and other matters.
- **Information Certificate Update (ICU)**. Sent to owners if there are certain key changes before the next scheduled PIC (such as changes in the directors or officers of the condo corporation). To be distributed within 30 days of the change.

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- **New Owner Information Certificate (NOIC)**. Sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation. A NOIC covers the most recent PIC and any subsequent ICUs.

Condo corporations may be able to pass by-laws related to PICs and ICUs.

More information on Information Certificates can be found on the CAO website here.

Records Requirements and Process to Request or Examine Records

As a condo owner, you have the right to access certain records regarding how the condo corporation is managed. It is the condo board's duty to ensure that adequate records are kept and that they are retained for the legally required amount of time. If an owner wants to access certain records, they must use a Request for Records form. In their request, they can specify whether they wish to review records or request copies of records and they can indicate whether they would like electronic or paper copies.

As an owner, you may have the right to access:

- Your condo corporation's declaration, by-laws, and rules;
- The financial records of your condo corporation;
- The minute book containing the minutes of owners' meetings and the minutes of board meetings;
- A copy of the returns or notices of change that the condo corporation has filed with the CAO;
- All lists, items, records, and other documents from your condo corporation's turn-over meeting;
- A list of the names of the owners of each unit in the condo corporation and their address for service;
- All reserve fund studies and all plans to fund the reserve fund;
- All agreements entered by or on behalf of the condo corporation;
- All instruments appointing a proxy or ballots for a meeting of owners that are submitted at the meeting; and
- Other records as specified under the Condo Act, including in its regulations, or your condo corporation's by-laws.

More information about records can be found on the CAO website here.

3.3 Condominium Corporation Governing Documents

In addition to complying with all applicable requirements under the Condo Act, all owners, residents, employees of the condo corporation, guests and others must comply with the condo corporation's governing documents. It is very important that you read and understand a condo corporation's governing documents before purchasing a unit. If you are unfamiliar with the requirements set out in

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your governing documents, you may unknowingly cause issues, requiring the condo corporation to respond to enforce the provisions found in these documents. The governing documents include:

1. The Declaration;
2. By-laws; and
3. Rules.

The governing documents must be consistent with the Condo Act.

1. The **Declaration** is one of the foundational documents of the condo corporation. The declaration is often considered the constitution of the condo corporation and contains many important provisions. It will include:

- The proportions, expressed in percentages, of the common interests allocated to each unit;
- How much each unit will pay for common expenses, expressed as a percentage;
- Which parts of the building will be exclusive use common elements, which are often things such as balconies; and
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements.

The declaration may be changed with the consent of at least 80% or 90% of voting units depending on what the change is.

2. **By-Laws** describe how the condo corporation is to govern itself. The by-laws can be considered the administrative guide for the condo corporation. A condo corporation's by-laws often deal with a wide range of matters. For example, by-laws may govern:

- How directors are elected;
- How common expenses are collected; and
- When/how the condo corporation can borrow money.

By-laws must be both reasonable and consistent with the declaration, as well as the Condo Act. By-laws must be approved by the owners of a majority of the units, except where the Condo Act provides otherwise, and registered with the Land Registry Office.

3. **Rules** regulate the use of the units or common elements or assets in a condo corporation. The condo rules will dictate what individuals on the condo property can and cannot do. Rules must be reasonable and consistent with the declaration and by-laws, in addition to the Condo Act. Rules must either: promote the safety, security or welfare of the owners, property, or assets of the condo corporation; or prevent unreasonable interference with the use and enjoyment of units, common elements or assets. Examples may include:

- Restricting smoking, vaping and/or the growing of cannabis;
- Restricting short-term rentals; or
- Limiting the number or size of pets allowed in the building.

Upon making, amending or repealing a rule, the board shall give a notice of it to the owners that includes:

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- A copy of the rule;
- A statement of the date that the board proposed the rule will become effective;
- A statement which says that the owners have a right to requisition a meeting; and
- A copy of sections 46 and 58 of the Condo Act.

Owners who disagree with the rule may be able to requisition an owners' meeting regarding the rule and then have a vote during the meeting to prevent the changes to a rule(s) from being passed. If the owners do not requisition a meeting, the rule becomes effective the day after 30 days have passed since the board gave the owners notice of the rule. For more information on owner requisitioned meetings, please see section 3.2 of this Condo Guide.

More information about the declaration, by-laws, and rules can be found on the CAO website here.

3.4 Condominium Finances

Reserve Funds

A **reserve fund** is a fund that condo corporations use for major repair or replacement of common elements and assets as needed. The Condo Act requires that all condo corporations have a reserve fund. Adequate reserve funds and proper use of those funds are critical to maintaining the structural integrity of the condo corporation's property. Reserve funds may only be used for major repairs and replacements of the common elements and assets of the condo corporation. Condo corporations must collect contributions to the reserve fund from owners as part of their common expense fees. Condo corporations must complete reserve fund studies. Reserve fund studies are completed by certain specialists (e.g., engineers) and determine how much money needs to be in the fund to be able to pay for anticipated major repairs/replacements that will be needed in the future. Generally, after the first reserve fund study, reserve fund studies are completed/updated every three years.

More information about reserve funds and reserve fund studies can be found on the CAO website.

Common Expenses

Common expenses, which are typically described in the Condo Guide as "common expense fees" (also commonly known as condo fees or maintenance fees) are collected by the condo corporation under the Condo Act. In addition to including a contribution to the reserve fund as described above, common expense fees may be used to fund:

- The cost of maintenance to the common elements (e.g., standard elevator repairs, cleaning).
- The cost of your condo manager or management service provider.
- The condo corporation's insurance policies.
- Services, such as garbage or snow removal, landscaping, security etc.

As an owner, you are required under section 84 (1) the Condo Act to pay your share of common expense fees attributed to your unit. As per section 84 (3) of the Condo Act, you are obligated to pay your common expense fees even if:

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- You have waived or abandoned your right to use the common element(s);
- You have made a claim against the condo corporation; or
- The condo corporation's declaration, by-laws or rules restrict you from using the common element(s).

How are Common Expense Fees Calculated?

Condo boards make a budget every year which outlines various expenses for the fiscal year that are to be paid by the owners. The condo corporation's declaration will state the portion of the common expenses each owner is required to contribute, expressed as a percentage. The percentage may, but need not, relate to the size of your unit. The amount of common expenses you are required to contribute may fluctuate (e.g., increase) for various reasons (e.g., as the needs of the condo corporation change).

Section 56 (1) of the Condo Act also permits condo corporations to pass by-laws governing the assessment and collection of common expense fees.

Liens

If you as an owner default on your obligation to pay common expense fees, your condo corporation automatically has a lien on your unit. The lien will cover the unpaid amount owing as well as all interest, and all reasonable legal costs and expenses incurred by the condo corporation in its attempt to collect.

The condo corporation has three months from when the default occurred to register a certificate of lien, otherwise the lien will expire after three months of the default. At least ten days' notice is required to be provided to owners before the certificate of lien can be registered on title. Condo liens have priority over every other liability, including mortgages, subject to some exceptions, and may be enforced in the same manner as a mortgage.

Special Assessments

As described above, your condo corporation will create a budget for every fiscal year. Should there be a budget shortfall (i.e., where expenses exceed revenues), your condo corporation may levy a special assessment to cover expenses. A special assessment is an extra one-time charge added to your common expense fees.

Your board may need to levy a special assessment for unforeseen major expenses such as repairs related to flooding, costs related to legal proceedings, etc. Your condo corporation's by-laws may include provisions about special assessments.

Under section 84 of the Condo Act, you are required to pay your unit's share of the common expense fees, which may include special assessment fees. Your portion is calculated using the same percentage used to calculate your regular common expense fees.

More information about special assessments can be found on the CAO website here.

Chargebacks

A chargeback is an addition to an owner's common expense fees to reimburse the condo corporation for a cost it incurred. This is to ensure that certain expenses or costs incurred are not levied to all

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owners, particularly where they are not all responsible for the circumstances leading to the expense or cost.

Some chargebacks are specifically authorized by the Condo Act. For example, section 92 (4) of the Condo Act allows condo corporations to add repair costs to a unit's common expenses fees, where repairs were completed on an owner's behalf after they failed to complete them within a reasonable time. Condo corporations may also have provisions within their declaration that require owners to indemnify the condo corporation for certain costs, called an indemnification clause.

If an owner does not pay the chargeback, a lien will automatically be placed on the defaulting unit, just as would occur if the owner does not pay their regular common expenses on time. If the condo corporation registers a certificate of lien and the owner does not pay the lien in full (this is known as discharging the lien), the condo corporation has the ability to attempt to have the unit sold to cover the costs.

Condo Insurance

Under the Condo Act, condo corporations are required to obtain and maintain both property insurance and liability insurance.

- **Liability Insurance:** Under section 102 the Condo Act, condo corporations are required to obtain and maintain insurance against the liability resulting from a breach of duty as the occupier of the condo corporation's common elements or certain land as well as insurance against liability arising from the ownership and use of boilers, machinery, pressure vessels and motor vehicles.
- **Property Insurance:** Section 99 (1) of the Condo Act requires condo corporations to obtain and maintain insurance for damage to the units and common elements that is caused by certain major perils, including fire, smoke, lightning, windstorm, hail, or any other peril specified in the condo corporation's declaration or by-laws.

Standard Unit

A condo corporation's obligation to insure the units does not cover "improvements" made to units. Section 99 of the Condo Act states a condo corporation's obligation to insure against damage to units from major or other perils only includes what is called a "standard unit".

What constitutes a standard unit in your condo corporation is important as it not only outlines responsibility for property insurance coverage but also partly determines what the condo corporation or the condo owner is responsible for when dealing with repairs after damage.

For more information on where to find your condo corporation's definition of a standard unit, see section 3.5 of this Condo Guide - Living in Units and Using Common Elements.

Deductibles

According to section 105 (1) of the Condo Act, if an insurance policy obtained by the condo corporation has a deductible clause that limits the amount payable by the insurer, the condo corporation is responsible for paying the portion of a loss that is excluded from coverage, and that amount must be included in the common expenses.

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A single owner may be responsible for paying a deductible if a claim to the condo corporation's insurer arose due to the owner's (among others) action or inaction. In this case, the lesser of the deductible limit or the actual cost of the repairs must be charged back to that owner's unit. For more information on chargebacks, please see section 3.4 of this Condo Guide.

Your condo corporation may also have an insurance deductible by-law that would extend the circumstances in which an owner would be responsible for paying for a property insurance deductible. Common examples of extended circumstances could include:

- Where the owner, occupant, or guest of the unit, through an act or negligence causes the insured damage; and/or
- Where the insured damage is caused by accident (i.e., where no one is at fault).

3.5 Living in Units and Using Common Elements

Units vs. the Common Elements

For a description of what a common element is and what an exclusive use common element is, please refer to section 3.1 of this Condo Guide. As noted in section 3.1, common elements are elements which may not be for the exclusive use of a particular unit owner.

In a condo corporation, typically owners own their individual unit(s) and collectively share ownership of and expenses for the common elements (e.g. roof, hallways, elevators, pool).

What is considered part of a "unit" and what is considered part of the "common elements" will be outlined in the condo corporation's declaration and description. Schedule C of the declaration contains this information for most types of condo corporations, and more, as explained below. In addition, the Condo Act includes information about what is a unit vs. a common element. The term "common elements" generally means all the property except the units.

Understanding the breakdown between a unit and the common elements is important when considering repair and maintenance obligations, condo insurance, and making changes to your unit.

Repair and Maintenance Obligations

Section 89 (2) of the Condo Act requires that, subject to the Condo Act and a condo corporation's declaration:

- Condo corporations are responsible for repairing damage to both the common elements and units. This obligation to repair does not include any improvements made to units.

- Unit owners are responsible for maintaining their units (i.e., upkeep and repairing after normal wear and tear) and condo corporations are responsible for maintaining the common elements (e.g., parking, gardens, hallways, elevators, amenities, etc.).

The following documents, together with the Condo Act, are notable when it comes to figuring out repair and maintenance responsibilities:

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1. Schedule C. Schedule C (within your condo corporation's declaration) typically will outline unit boundaries and therefore clarify repair and maintenance responsibilities, especially in unclear areas (e.g., plumbing, electrical, areas behind drywall, etc.).

2. Standard unit by-law. A standard unit by-law or, if none, a schedule provided by the developer, will detail which components of a unit are the "standard unit" and therefore the responsibility of the condo corporation to repair.

Also, section 91 of the Condo Act allows condo corporations to alter these repair and maintenance obligations in their declaration. This means that when determining who is responsible for repairs or maintenance it is necessary to review your condo corporation's declaration. Note, there are some different repair and maintenance requirements under the Condo Act for different types of condo corporations (e.g., vacant land condo corporations).

Making Changes to Your Unit

A condo corporation's declaration, by-laws, and rules may contain rules about making modifications to your unit or common elements (such as requiring notice to the board, restrictions on design, décor, materials to be used, restriction on days or times when renovations are permitted, etc.). You may wish to review these requirements, as well as applicable requirements under the Condo Act, before considering changes to your unit.

Modifications to the Common Elements by Owners

Changes to the common elements (e.g., exterior walls) by owners generally will require board approval. Section 98 of the Condo Act states that an agreement (often referred to as a section 98 agreement) must be entered into between the condo corporation and the owner specifying, for example:

- The allocation of cost of the proposed modification between the owner and the condo corporation; and
- The respective duties and responsibilities of the owner and condo corporation for the costs of repairs after damage, maintenance, and insurance of the modification.

The board may approve a proposed modification, and there will be no requirement to provide notice to other owners if the modification is to an exclusive use common element, and the board is satisfied that the modification will not:

- Have an adverse effect on units owned by other owners;
- Give rise to any expense to the corporation;
- Negatively impact the appearance of buildings on the property;
- Affect the structural integrity of buildings; or
- Contravene the declaration or any prescribed requirements.

Right of Entry

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Section 19 of the Condo Act provides condo corporations, or a person authorized by the condo corporation, the right to enter units to perform the objects and duties or to exercise the powers of the condo corporation. They can only do so after providing reasonable notice to the owner of the unit.

Examples of when condo corporations may typically seek to enter units include:

- To perform maintenance and repairs to the common elements;
- To perform routine inspections on things such as smoke detectors; and
- To ensure compliance with the Condo Act and the condo corporation's declaration, by-laws, and rules.

Your condo corporation will also have the right to enter units in the case of an emergency, such as a fire or water leak, without any reasonable notice.

3.6 Condominium Management

Condo corporations, while not required to, may decide to hire a condo manager or a condo management company to oversee the condo corporation's day-to-day operations. Condo managers act on behalf of the condo corporation and are directed by the board of directors. A condo manager's range of responsibilities may include:

- Creating and maintaining records for the condo corporation;
- Responding to owner complaints;
- Coordinating the maintenance and repair of the property;
- Hiring and monitoring the performance of service providers;
- Preparing draft annual budgets and monitoring the reserve fund;
- Issuing meeting notices; and
- Organizing board meetings and overseeing administration of all owners' meetings.

Under section 17.0.1 of the Condo Act, condo corporations cannot enter into agreements with a condo manager or management company unless they are licensed through the Condominium Management Authority of Ontario (CMRAO). For more information about the CMRAO, see section 4.2 of this Condo Guide.

For more information on the CMRAO, you can visit their website by clicking here.

Part 4: Resources for Issues Resolution

4.1 Raising Issues with your Condominium Board

Occasionally, issues can arise with condo living. There are several options that may be available to condo owners who have concerns with their board of directors or condo corporation generally. Before raising any issues, you may wish to consult the governing documents of your condo corporation as

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some condo corporations may have specific protocols for raising issues. When raising issues, you may wish to consider the following:

1. **Writing a Letter to the Board**

   You may wish to contact your board to request formal consideration of your concern if you are experiencing a condo-related issue that you wish to raise with the board. Within the letter or email it is helpful to provide as much detail as possible about the issue.

   The CAO also has email and letter templates for writing to your board, available on the CAO website by clicking here.

2. **Requisitioning a Meeting of Owners**

   Owners may be able to requisition a meeting to discuss certain issues. For example, owners may be able to requisition a meeting to discuss:

   - The removal and replacement of a director before the expiry of that director's term;
   - A proposed new rule or change or repeal of an existing rule; and
   - The discussion of any emerging issue (e.g., a board decision).

   For more information on meetings in general, see section 3.2 of this Condo Guide.

   For more information regarding the requisitioning of meetings, please click here.

3. **Raising Issues at an AGM**

   An AGM provides another opportunity to bring up issues regarding the condo corporation and condo business to the board and other owners. Owners may be able to raise their concerns at their AGM. Section 45(3) of the Condo Act states that owners may raise any matters for discussion in the AGM, as long as they are relevant to the affairs and business of the condo corporation.

4. **Seeking Legal Advice**

   If a particular issue cannot be resolved through any of the above options, you may wish to consider seeking legal advice.

   If you require legal advice, you may wish to contact a lawyer or paralegal familiar with condo law. The names of lawyers or paralegals may be obtained from the Law Society of Ontario Referral Service. They may provide a free consultation of up to 30 minutes.

Additionally, you may wish to consider reviewing the CAO's Issues and Solutions page for additional information on common issues associated condo living.

4.2 The Condominium Authority of Ontario

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The CAO is a not-for-profit organization designated by the Ontario government to administer delegated provisions of the Condo Act and its regulations. The CAO's role is to support condo living by providing services and resources for condo communities and the general public. These include:

- Offering information about condo living to condo owners, residents, and other members of the public;
- Administering mandatory training for condo directors;
- Hosting and providing access to several mandatory and optional condo forms;
- Maintaining the CAO's Public Registry, which contains and displays information filed with the CAO through returns and notices of change; and
- Overseeing an online dispute resolution forum - the Condominium Authority Tribunal (CAT).

The CAT is an online tribunal that is authorized to resolve certain disputes primarily between condo corporations and owners. Part I.2 of the Condo Act and related regulations, including Ontario Regulation 179/17, set out certain provisions related to the CAT's jurisdiction.

Currently, the CAT resolves certain disputes relating to:

- the retention of and access to condo records.
- condo corporation governing document provisions about:
    - vehicles;
    - pets or other animals;
    - parking and storage; and
    - indemnification or compensation of the condo corporation, owner or mortgagee related to the above-noted governing document disputes.

For more regarding the CAT, its function, and its jurisdiction, click here.

4.3 Condominium Management Regulatory Authority of Ontario

The Condominium Management Regulatory Authority of Ontario (CMRAO) is a not-for-profit corporation that is responsible for administering provisions under the Condominium Management Services Act, 2015 (CMSA), including by licensing condo managers and management providers. The CMRAO:

- Ensures that condo managers and condo management companies are licensed, meet education standards, and comply with a code of ethics, among other requirements.
- Maintains a list of licensed condo managers and condo management providers.
- Promotes awareness of the condo management regulatory system and enforces compliance with the CMSA.

Handling Complaints

If you think your condo's manager or management service provider is in violation of the CMSA you can submit a complaint to the CMRAO. If the registrar of the CMRAO receives a complaint about a licensee, the registrar may do any of the following, as appropriate:

- Attempt to mediate or resolve the complaint;

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- Give the licensee a written warning;
- Require the taking of further educational courses;
- Refer the matter, in whole or in part, to the discipline committee;
- Propose to suspend, revoke, or add conditions to a licence;
- Propose to refuse to renew a licence; or,
- Take further action as is appropriate in accordance with the CMSA.

More information about making a complaint can be found on the CMRAO's website here.

4.4 Compliance and Enforcement Mechanisms

Responsibility to Comply with the Condo Act

Section 119 of the Condo Act provides that the condo corporation, owners, directors, officers, employees, mortgagees, developer and occupants are all required to comply with the Condo Act as well as the condo corporation's declaration, by-laws, and rules.

Section 17 (3) of the Condo Act provides that condo corporations have a duty to take all reasonable steps to ensure that owners, occupiers, lessees, agents and employees of a condo corporation comply with the Condo Act, the declaration, the by-laws and the rules. Additionally, section 119 (2) of the Condo Act provides that owners are obliged to take all reasonable steps to ensure occupants and visitors of their unit also comply with the Condo Act, the declaration, the by-laws, and the rules.

Mediation, Arbitration, and Compliance Orders

Under section 132 of the Condo Act, certain disputes must be resolved through mediation or arbitration. Condo corporations may also have provisions in their declaration or by-laws establishing a procedure for resolving certain disputes and compliance.

To resolve certain disputes between an owner and the condo corporation, the first step would be mediation, and then arbitration, if required.

As per section 134 of the Condo Act, certain compliance disputes may be resolved through an application to the Superior Court of Justice, including if the mediation and arbitration process has failed to solve the issue. Condo corporations, owners, occupants of a proposed unit, and developers are all entitled to apply as set out in that section; however, it is recommended to talk to a lawyer or paralegal if considering any legal action.

Please note that sections 132 and 134 of the Condo Act do not apply to disputes that may be brought to the CAT.

Offences Under the Condo Act

Sections 136.1 and 137 of the Condo Act set out provincial offences under the Condo Act that the Ministry of Government and Consumer Services (Ministry) administers. If you have information about conduct you believe may constitute an offence under section 136.1 or section 137 of the Condo Act, you may provide that information to the Ministry.

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You can file the information by clicking here.

The Ministry will review the information and determine if compliance or enforcement action would be appropriate. Please note that not every complaint will lead to compliance or enforcement action.

Section 136.2 of the Condo Act sets out provincial offences under the Condo Act which are administered by the CAO. If you have information about conduct that you believe may constitute an offence under section 136.2 of the Condo Act, you may provide that information to the CAO.

Part 5: Glossary of Key Terms

Addendum: The Tarion Addendum (expected to be a joint Tarion/HCRA addendum if the HCRA is designated in early 2021) is a required part of the agreement of purchase and sale for a residential condo and contains important information that both the builder and condo buyer are required to agree to.

Agreement of Purchase and Sale: The Agreement of Purchase and Sale contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations as seller (as applicable), the unit, and the condo construction project.

Annual General Meeting: Annual owners' meeting where the board of directors presents to the owners on the financial health of the condo corporation and other business.

Board Meetings: Meetings attended by board members to manage the affairs of the condo corporation.

By-laws: By-laws are part of the condo corporation governing documents. By-laws govern how a condo corporation operates. By-laws can cover topics such as: the size of your condo board, the process for electing directors, and the format of board meetings. By-laws must be consistent with the declaration and the Condo Act as well as reasonable.

Chargebacks: Charges that are added to the amount of a unit owner's common expense fees. This may happen, for example, due to a condo corporation handling an owner's maintenance obligations or where a condo corporation incurs certain court costs in a legal proceeding against an owner to enforce compliance.

Common Elements: All condo property except units.

Common Elements Condominium: A condo corporation that creates common elements but does not divide the land into units. Owners purchase land tied to part of a common element condo corporation in which they also have an ownership interest (such as a shared road, ski hill or golf course) and pay common expense fees.

Common Expense Fees: The amount of money that an owner contributes in the proportions specified in the declaration. These go towards paying expenses (operating and reserve), including for, among other things, the maintenance and upkeep of the condo corporation's common elements.

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Condo Corporation: A legal entity that comes into existence when a declaration and description are registered with the Land Registry Office. All units and common elements are part of a condominium corporation, and condominium corporations are governed by boards of directors on behalf of owners.

Condo Manager: An individual licensed by the Condominium Management Regulatory Authority of Ontario who is hired by a condo corporation to oversee a condo corporation's day-to-day operations. Condo managers are accountable to the board of directors of the condo corporation.

Condominium Act, 1998 (Condo Act): The Condo Act provides a legal framework that enables condo owners and their elected board of directors to make decisions about the governance of a condo corporation.

Condominium Authority Tribunal (CAT): an online tribunal administered by the Condominium Authority of Ontario that is authorized to resolve certain disputes primarily between condo corporations and owners.

Condominium Management Services Act (CMSA): The CMSA provides a framework for regulating condo managers and condo management providers and requires that they be licensed to provide condo management services in Ontario.

Cooling Off Period: Ten-day period within which buyers of pre-construction condos have the right to rescind, or cancel, a purchase agreement they have signed, for any reason whatsoever. Begins on the later of the date the buyer received the disclosure statement, a copy of this Condo Guide, and the copy of the agreement of purchase and sale.

Declarant: The owner of the land where the condo corporation is being established. *Note that, for ease-of-understanding, the Condo Guide sometimes uses the term "developer" in many places in place of the term "declarant", which is used in the Condominium Act, 1998. The Ontario New Home Warranties Plan Act also uses the terms "vendor" and "builder".

Declaration: Governing document that contains important information about the condo corporation, such as the percentage that the unit owner must contribute to the common expenses and a breakdown of the responsibilities for repairing and maintaining the units and common elements.

Description: The description defines the units and the common elements and specifies the boundaries between them.

Declarant-Controlled Board: A condo corporation board including directors appointed by the declarant (i.e. the developer).

Delayed Occupancy: When a unit buyer is unable to take possession of the new residential unit by the firm or outside occupancy dates contained in the Addendum to a purchase agreement.

Director / Board of Directors: The individuals who are appointed or elected to manage the affairs of the condo corporation. Directors are responsible for making important decisions and serve for terms of up to three years.

Director Training: Training program provided by the Condominium Authority of Ontario. All condo directors appointed, elected, or re-elected on or after November 1, 2017 are required to complete the training program within six months of their appointment, election, or re-election. Directors do not have to take the training if they have completed the program within the previous seven years.

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Disclosure Statement: A document that your declarant must provide when you purchase your unit from them or someone benefiting them, and which includes important information about your unit and the condo corporation (proposed or registered).

Exclusive Use Common Elements: Are common elements that specific unit owners/occupiers have exclusive use of (e.g., a balcony connected directly to a single unit).

Governing Documents: A condo corporation's declaration, by-laws, and rules.

Information Certificates: Information Certificates help to ensure that owners receive ongoing information about their condo corporation throughout the year. There are three types: Periodic Information Certificates, Information Certificate Updates, New Owner Information Certificates.

Information Certificate Updates: are information certificates which include information on certain key changes before the next scheduled Periodic Information Certificate (such as changes in the directors or officers of the condo corporation). These are to be distributed within 30 days of the change.

Interim Occupancy: When a buyer takes occupancy of their unit before the condo corporation has been registered with the Land Registry Office, and before ownership is transferred to the buyer. The duration of the interim occupancy is called the interim occupancy period, and during that period the buyer is required to pay occupancy fees.

Interim Occupancy Fee: The amount that a buyer is required to pay the declarant during the interim occupancy period.

Interim Occupancy Period: The period from your interim occupancy date to the date ownership is transferred to you.

New Owner Information Certificates: Information certificates which are sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation.

Notices: Notices are documents containing information that an individual is entitled to receive as a unit owner. Notices will be delivered to you in either hardcopy or digitally (if the condo corporation and owner agree to electronic delivery or if that is otherwise permitted).

Owners' Meetings: Meetings which all owners are invited to. Includes annual general meetings, owner-requisitioned meetings, turn-over meetings, and meetings called by the board regarding the transaction of any condo business.

Owner-Requisitioned Meetings: Meetings requested by the owners to discuss/vote on a specific topic, such as the removal of a director or voting on a rule proposed by the board of directors.

Periodic Information Certificates: Information certificates which focus on the condo corporation's board, finances, insurance, reserve fund, legal proceedings, and other matters.

Phased Condominium: A condominium that is built and registered in phases. Once the construction is complete, it becomes a standard condominium.

Quorum: The law requires that a minimum number of owners be present (either in person or by proxy) at a meeting. Without quorum, voting cannot take place, however discussion on relevant business is still permitted.

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Reserve Fund: A fund condo corporations save and use to handle the larger financial burdens, for major repair or replacements of common elements and assets as needed.

Reserve Fund Study: Determines how much money needs to be in the reserve fund to ensure the major repairs/replacements can be paid for in the future. The reserve fund study must be prepared by a specialist, like an engineer. The board of directors approves the study, then informs owners of the results of the study.

Rules: Rules are part of the condo corporation's governing documents. Rules exist for the protection of those living in the condo corporation as well as the protection of the assets of the condo corporation itself, and to prevent unreasonable interference with the use and enjoyment of the units, common elements, and assets of the condo corporation. Rules must be consistent with the Condo Act and the declaration and by-laws of the condo corporation as well as reasonable.

Special Assessment: An extra one-time charge added on top of an owner's common expense fees.

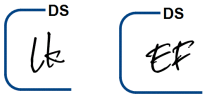
Standard Condominium: The most common type of condo corporation in Ontario, where the condo corporation is made up of units and common elements.

Statement of Critical Dates: The Statement of Critical Dates can be found in the Addendum to your purchase agreement. The Statement contains the dates you can expect to take occupancy of your unit, as well as other important information.

Status Certificate: A document that anyone can request from a condo corporation and which contains important information about the unit and condo corporation.

Turn-Over Meeting: The meeting held by the declarant-controlled board within 42 days of the declarant ceasing to own a majority of the units. At this meeting, the owners will elect a new board and the declarant-controlled board will turn over several items to the new owner-elected board.

Vacant Land Condominium: A type of condo corporation in which the units may be vacant lots at the time of purchase, and the condo corporation may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.



Appendix “D12”

AURORA MILLS
BUSINESS PARK

Block 5 - Unit(s) 16, 17, 18
Building I Unit 23, 24, 25 as per registered plan

AGREEMENT OF PURCHASE AND SALE

1.01 1.01 **Agreement to Purchase**

The undersigned 2710436 Ontario Ltd. (hereinafter called the "**Purchaser**"), hereby offers to purchase from 2352107 Ontario Inc. (hereinafter called the "**Vendor**" or the "**Declarant**") the above noted Unit(s) located in the Town of Aurora, in the Municipality of York, being number(s) 16, 17, 18, and an undivided interest in the common elements appurtenant thereto (all of which is hereinafter collectively called the "**Unit**"), in accordance with and subject to the Declaration, by-laws and rules of the Corporation (as hereinafter defined) created upon the registration of the Declaration and Description under the *Condominium Act, 1998*, S.O. 1998 c.19, as amended, upon the Lands or Property (as hereinafter defined) and situate within a multi-unit industrial building on the following terms and conditions: Building I Unit 23, 24, 25 as per Registered Plan 65M

1.02 **Purchase Price**

The Purchaser hereby agrees with the Vendor to purchase the Unit on the following terms and conditions:

The total Purchase price (the "**Purchase Price**") for the Unit shall be [redacted] of lawful money of Canada, payable by the Purchaser as follows:

(a) the sum of [redacted] with this Agreement, which sum equals 5% of the Purchase Price;

(b) the sum of [redacted] 2.5% ninty (90) days, 2.5% one hundred eighty (180) days, 5% three hundred sixty five (365) days ~~ninty (60) days~~ after the date of the Purchaser's execution of this Agreement, which sum, equals 10% of the Purchase Price;

(c) the sum of [redacted] by wire transfer made payable to the Vendor's solicitor, in trust on the Occupancy Date, which sum equals 5% of the Purchase Price; and

(d) the balance of the Purchase Price shall be paid to the Vendor by wire transfer on the Closing Date and all proper and usual adjustments and those adjustments hereinafter set forth shall be calculated as of and paid on the Closing Date.

1.03 **Deposits**

All deposits payable as aforesaid (collectively the "**Deposit**") shall be payable to Torkin Manes LLP (the "**Vendor's Solicitor**" or the "**Escrow Agent**"), to be held in trust or paid to the Vendor in accordance with the provisions of the Act. Any sums held by the Vendor's Solicitor will be invested in an interest-bearing trust account or term deposit with all interest earned to be paid to the Vendor and which interest shall not form the basis of any adjustment between the parties. The Purchaser shall receive interest in accordance with the Act. The failure of any cheque to clear the ban for insufficient funds or as a result of a stop payment shall be a monetary default hereunder

1.04 **Occupancy, Closing and Schedules**

(a) The Purchaser shall occupy the Unit in accordance with the provisions of Article 2.00 in Schedule "X" attached hereto.
(b) The Closing of this transaction shall take place in accordance with and at such time as provided for in Article 9.00 in Schedule "X" attached hereto;
(c) the tentative date on which the Vendor presently estimates that the Purchaser will be able (and corresponding be obliged) to occupy the Unit shall be _ _____ (the "**Occupancy Date**"), or any extension thereof pursuant to the provisions of Schedule "X" attached hereto.
(d) The following Schedules are appended hereto and form an integral part of the Agreement herein: Schedule "A", Schedule "B" and Schedule "X". The Purchaser acknowledges having read all paragraphs and Schedules to this Agreement.

1.05 **Use**

The Purchaser agrees to utilize the Unit being purchased hereunder, only for the following purpose: Office for Construction Roofing Contractor (the "**Intended Use**"), and agrees to comply with the further provisions and restrictions concerning use as are set out in Schedule "X" attached hereto and forming part hereof and as further set out in the Condominium Declaration, Rules and By-Laws.

This Offer shall be irrevocable by the Purchaser until one minute before midnight on the tenth day after its date, after which time if not accepted, this Offer shall be null and void and the deposit returned to the Purchaser, without interest or deduction, except as required by the Act. Acceptance by the Vendor of this Offer shall be deemed to have been sufficiently made if this

Agreement is executed by the Vendor on or before the irrevocable date specified in the preceding sentence, without requiring any notice of such acceptance to be delivered to the Purchaser prior to such time.

[signature page to follow]

AURORA MILLS
BUSINESS PARK

SCHEDULE "B"
TO AGREEMENT OF PURCHASE AND SALE

ACKNOWLEDGMENT OF RECEIPT OF CONDOMINIUM DOCUMENTS

Building I Unit 23, 24, 25 as per Registered Plan 65M

THE UNDERSIGNED, being the Purchaser of the Unit described as Unit(s) 16, 17, 18, (the "**Unit**") hereby acknowledges having received from the Vendor with respect to the purchase of the Unit, the following documents in either paper of electronic format, on the date noted below:

1. A copy of the Agreement of Purchase and Sale and all Schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser (collectively, the "**Purchase Agreement**");

2. A Disclosure Statement dated _____ and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998 c. 19* (the "**Act**") containing the following:

   i. Table of Contents;
   ii. The Condominium Corporation's proposed Declaration;
   iii. The Condominium Corporation's proposed By-law No. 1 (Operating By-Law);
   iv. The Condominium Corporation's proposed By-law No. 2 (Borrowing By-Law);
   v. The Condominium Corporation's proposed By-law No. 3 (Assumption of Outstanding Municipal Agreements);
   vi. The Condominium Corporation's proposed Rules;
   vii. The proposed Management Agreement;
   viii. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
   ix. The proposed draft Plan of Condominium;
   x. The proposed draft Plan of Subdivision; and

3. A copy of Ontario's Residential Condominium Buyers' Guide.

The Purchaser hereby acknowledges that the Condominium Documents have not been registered by the Vendor and agrees that the Vendor may, from time to time, make any further modifications to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of legal Surveys, the Land Registry Office or any other competent authority having jurisdiction in order to facilitate registration thereof.

The Purchaser further acknowledges and agrees that in the event there is a further material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be as set forth in subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Purchase Agreement, and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Purchase Agreement is delivered to the Vendor or the Vendor's Solicitor within 10 days after the date set out below. In the event that no notice of recession or termination is delivered by the Purchaser to the Vendor or the Vendor's Solicitor within the said 10-day period, then the Purchaser will be deemed to have waived this right of recession or termination and the Agreement of Purchase and Sale hereunder will be a fully binding agreement in accordance with the provisions thereof.

DATED at Toronto, this 24th day of January, 2022.

2710436 ONTARIO LTD.

Per: Bill Chin
Name: PRESIDENT
Title:

Per: _____
Name:
Title:
I/We have the authority to bind the corporation

AURORA MILLS
BUSINESS PARK

SCHEDULE "C"
TO AGREEMENT OF PURCHASE AND SALE

ADDITIONAL PURCHASER CLAUSES

1. The Purchaser shall be entitled to a credit in the amount of 2.5% of the purchase price applied at the time of Final Closing of units 16, 17, and 18 in Block 5.
Building I Unit 23, 24, 25 as per Registered Plan 65M

DATED at Toronto, this 24 day of January, 2022.

2352107 ONTARIO INC.

Per: _____
Name: Paolo Alcide
Title: Director

I have the authority to bind the corporation

Alex Vitaro
President

2710436 ONTARIO LTD.

Per: _____
Name: Bill Chin
Title: President

Per: _____
Name:
Title:

I/We have the authority to bind the corporation

DATED at Toronto, this 24th day of January, 2022. The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

2710436 ONTARIO LTD.

Per: Bill Chislett
Name:
Title: PRESIDENT

Per: _____
Name:
Title:
I/We have the authority to bind the corporation

Purchasers' Address:

110 Pony Dr., Unit 11

Newmarket, ON

Purchaser's Telephone Numbers:

Home: (905-738-9433)

Business: (416-508-4760)

Fax: (_____)

E-mail: (billc@chislettroofing.com)

Purchasers' Solicitor:

Name: Alan Direnfeld - Direnfeld Law

Address: 219 Finch Ave West Toronto M2R 1M2

Tel: 416-229-6789 Fax: 416-229-6788

2352107 Ontario Inc.

Per: _____
Name:
Title: Director

I have authority to bind the Corporation.

Alex Vitaro
President

Vendor's Solicitor:

TORKIN MANES LLP
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

ATTENTION: **Aaron M. English**
Telephone: (416) 643-8811
Facsimile: 1-888 554-6181
E-mail: aenglish@torkinmanes.com

Appendix “E”

From:	Grammy Tien
To:	"David Badham"; "Jag Brar"; "Allan Freedman"
Cc:	Aaron English; Doug Bourassa
Bcc:	"38743_0008 _ 2352107 Ontario Inc_ _ Sale of Units 5_ 6 _ 7_ Block 6_ Aurora Mills E_Mail"
Subject:	RE: Spectra Prop Inc - 175 Melvin Robson Avenue
Date:	Wednesday, December 17, 2025 4:14:58 PM
Attachments:	image001.png image002.jpg image003.png image004.png

Good afternoon,

In light of the upcoming holiday period, please be advised that the Vendor hereby extends the final closing date from December 18, 2025 to January 31st, 2026. All other terms of the Agreement of Purchase and Sale shall remain in full force and effect.

Thank you,

Grammy

Grammy Tien
Real Estate Law Clerk

Torkin Manes LLP
Direct: 437-253-2745

This email message from Torkin Manes LLP, and any attachments, is intended only for the named recipient(s) above and may contain content that is privileged, confidential and/or exempt from disclosure under applicable law. If you have received this message in error, please notify the sender and delete this email message. Thank you.

From: Grammy Tien
Sent: December 11, 2025 4:49 PM
To: 'David Badham' <dbadham@btrlaw.ca>; 'Jag Brar' <jbrar@brarlawyers.com>; 'Allan Freedman' <allan@amf-law.ca>
Cc: Aaron English <aenglish@torkinmanes.com>; Doug Bourassa <DBourassa@torkinmanes.com>
Subject: RE: Spectra Prop Inc - 175 Melvin Robson Avenue

Good afternoon,

Please be advised that the Vendor hereby extends the final closing date from December 12, 2025 to December 18, 2025. All other terms of the Agreement of Purchase and Sale shall remain in full force and effect.

Thank you,

Grammy

Grammy Tien
Real Estate Law Clerk

Torkin Manes LLP
Direct: 437-253-2745

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From: Grammy Tien
Sent: December 10, 2025 4:20 PM
To: 'David Badham' <dbadham@btrlaw.ca>; 'Jag Brar' <jbrar@brarlawyers.com>; 'Allan Freedman' <allan@amf-law.ca>
Cc: Aaron English <aenglish@torkinmanes.com>; Doug Bourassa <DBourassa@torkinmanes.com>
Subject: RE: Spectra Prop Inc - 175 Melvin Robson Avenue

Good afternoon,

Please be advised that the Vendor hereby extends the final closing date from December 11, 2025 to December 12, 2025. All other terms of the Agreement of Purchase and Sale shall remain in full force and effect.

Thank you,

Grammy

Grammy Tien
Real Estate Law Clerk
Torkin Manes LLP
Direct: 437-253-2745

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From: Grammy Tien
Sent: December 8, 2025 3:55 PM
To: David Badham <dbadham@btrlaw.ca>; Jag Brar <jbrar@brarlawyers.com>; Allan Freedman <allan@amf-law.ca>
Cc: Aaron English <aenglish@torkinmanes.com>; Doug Bourassa <DBourassa@torkinmanes.com>
Subject: RE: Spectra Prop Inc - 175 Melvin Robson Avenue

Good afternoon,

Please be advised that the Vendor hereby extends the final closing date from December 9, 2025 to December 11, 2025. All other terms of the Agreement of Purchase and Sale shall remain in full force and effect.

Thank you,

Grammy

Grammy Tien
Real Estate Law Clerk
Torkin Manes LLP
Direct: 437-253-2745



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From: Grammy Tien <GTien@torkinmanes.com>
Sent: December 5, 2025 4:42 PM
To: David Badham <dbadham@btrlaw.ca>; Jag Brar <jbrar@brarlawyers.com>; Allan Freedman <allan@amf-law.ca>
Cc: Aaron English <aenglish@torkinmanes.com>; Doug Bourassa <DBourassa@torkinmanes.com>
Subject: RE: Spectra Prop Inc - 175 Melvin Robson Avenue

Good afternoon,

Please be advised that the Vendor hereby extends the final closing date from December 8, 2025 to December 9, 2025. All other terms of the Agreement of Purchase and Sale shall remain in full force and effect.

Thank you,

Grammy

Grammy Tien
Real Estate Law Clerk
Torkin Manes LLP
Direct: 437-253-2745



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From: David Badham <dbadham@btrlaw.ca>
Sent: December 3, 2025 2:19 PM
To: Jag Brar <jbrar@brarlawyers.com>; Allan Freedman <allan@amf-law.ca>; Grammy Tien <GTien@torkinmanes.com>
Cc: Aaron English <aenglish@torkinmanes.com>; Doug Bourassa <DBourassa@torkinmanes.com>
Subject: Re: Spectra Prop Inc - 175 Melvin Robson Avenue

This is an external email.

Hi Grammy,

Let's go ahead at 2:30.

Here is a teams link we can use:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_YjEzYWE0MmEtYmVmMS00M2EyLTkyMWYtOGVhNzIwODFhMjg2%40thread.v2/0?context=%7b%22Tid%22%3a%22d34f40d3-386c-4acc-819c-184802f69510%22%2c%22Oid%22%3a%22db13d9ea-0a43-48a5-8608-e16073a88348%22%7d

David Badham, J.D.
Partner
Brar Tamber Rigby Badham PC

Dir. 416-219-1138
E. dbadham@btrlaw.ca

From: Jag Brar <jbrar@brarlawyers.com>
Sent: December 3, 2025 2:13 PM
To: Allan Freedman <allan@amf-law.ca>; David Badham <dbadham@btrlaw.ca>; Grammy Tien <GTien@torkinmanes.com>
Cc: Aaron English <aenglish@torkinmanes.com>; Doug Bourassa <DBourassa@torkinmanes.com>
Subject: RE: Spectra Prop Inc - 175 Melvin Robson Avenue

I can make myself available if required.

Mandeep (Jag) Brar, B.A., J.D.
Barrister and Solicitor

5685 McLaughlin Road
Mississauga, ON L5R 3K5
E: Jbrar@brarlawyers.com|Jag.jblegal@gmail.com
F: 647-689-7574
C: 647-836-0347

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From: Allan Freedman <allan@amf-law.ca>
Sent: December 3, 2025 2:12 PM
To: David Badham <dbadham@btrlaw.ca>; Grammy Tien <GTien@torkinmanes.com>
Cc: Jag Brar <jbrar@brarlawyers.com>; Aaron English <aenglish@torkinmanes.com>; Doug Bourassa <DBourassa@torkinmanes.com>
Subject: RE: Spectra Prop Inc - 175 Melvin Robson Avenue

I am available from 2:30 to 3

allan

Allan M. Freedman
Barrister & Solicitor
3000 Langstaff Road Unit 15
Concord, Ontario L4K 4R7
905.660.0818 x 108
F 905.248.3092
Allan@amf-law.ca

From: David Badham <dbadham@btrlaw.ca>
Sent: December 3, 2025 2:02 PM
To: Grammy Tien <GTien@torkinmanes.com>
Cc: Jag Brar <jbrar@brarlawyers.com>; Allan Freedman <allan@amf-law.ca>; Aaron English <aenglish@torkinmanes.com>; Doug Bourassa <DBourassa@torkinmanes.com>
Subject: Re: Spectra Prop Inc - 175 Melvin Robson Avenue

Hi Grammy,

I am available at 2:30 for a call.

Allan, Jag - will that work for the two of you?

David Badham, J.D.
Partner
Brar Tamber Rigby Badham PC

Dir. 416-219-1138
E. dbadham@btrlaw.ca

From: Grammy Tien <GTien@torkinmanes.com>
Sent: December 3, 2025 12:25 PM

To: David Badham <dbadham@btrlaw.ca>
Cc: Jag Brar <jbrar@brarlawyers.com>; Allan Freedman <allan@amf-law.ca>; Aaron English <aenglish@torkinmanes.com>; Doug Bourassa <DBourassa@torkinmanes.com>
Subject: RE: Spectra Prop Inc - 175 Melvin Robson Avenue

Good afternoon David,

Thank you for your e-mail. Aaron and Doug (cc'd) are available at 2:30pm today for a discussion. Please confirm if that time works for you.

Thank you,

Grammy

Grammy Tien
Real Estate Law Clerk
Torkin Manes LLP
Direct: 437-253-2745
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-----Original Message-----
From: David Badham <dbadham@btrlaw.ca>
Sent: December 3, 2025 8:38 AM
To: Grammy Tien <GTien@torkinmanes.com>
Cc: Jag Brar <jbrar@brarlawyers.com>; Allan Freedman <allan@amf-law.ca>

Subject: Spectra Prop Inc - 175 Melvin Robson Avenue

This is an external email.

Good Morning Grammy,

Myself and Mr. Brar are counsel working with Mr. Freedman in respect of this matter on behalf of the Purchaser.

We understand that Mr. Freedman spoke with someone at your office earlier this week, however we are hoping that we might have a further call today to continue that discussion. I am having trouble tracking down the correct emails with any certainty, and so I am hoping that you will be able to connect us with the right group of people on your side and let us know available times for a call this afternoon?

We would greatly appreciate it.

Thanks,
David

David Badham
416-219-1138

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WINDSOR PRIVATE CAPITAL LIMITED PARTNERSHIP and WINDSOR II LIMITED PARTNERSHIP

-and-

2352107 ONTARIO INC.

Applicant

Respondent

Court File No.: CL-26-00000005-0000

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